

# **NEWSLETTER - January 2011 - N°391**

# **CONTENT**

EUROPEAN UNION NEWS	2
CONTAINER GLASS INDUSTRY  Europe  USA  Latin America  Asia  South Africa	4 6 6
FLACONNAGE	7
TABLEWARE	8
COMPETING MATERIALS  Cans  Plastics  Cartonage  CONTAINER GLASS ACCESSOIRES & SUPPLIERS	8 9 10
RETAILERS	11
CUSTOMER INDUSTRIES	11 12 12 13
COLLECTION / RECYCLING	14
FOOD CONTACT MATERIALS	15
STUDIES/RESEARCH	16
RAW MATERIALS	16
PEOPLE	16
EVENTS	16



# **EUROPEAN UNION NEWS**

### European waste implementation agency in doubt, says Commission



COMMISSION

The European Commission has "no plans" to create a European waste implementation agency, DG Environment's Peter Wessman told a conference in Brussels. "The Commission has not taken any definite position on this," Wessman, from the Sustainable Production and Consumption unit told the European waste management conference, "But we have no plans to create an

agency at the moment." The idea of setting up a waste implementation agency saw the light of day more than a year ago, with the Commission concerned about the excess of waste infringement cases. "There was a background of severe implementation difficulties and widespread gaps with an uneven playing field," Wessman said. "We commissioned a study to identify the feasibility of a waste implementation agency as a way of addressing the enforcement gap. Some 20-25 per cent of non-compliance cases for the environment are in the waste field - such as illegal landfills, a lack of infrastructure and illegal waste shipments. Waste is very visible and stakeholders are asking to see what's being done. The Commission has to deal with this on a daily basis."

Source: European Environment & Packaging Law

## EU emissions target "obsolete", say Greens



The EU target to cut greenhouse gas emissions by 20 per cent by 2020 is "obsolete", Green MEPs said last week, in welcoming the European Parliament's resolution on the United Nations climate summit in Cancun. This resolution, although only adopted by a small minority, calls for a 30 per cent

cut "as essential for the future sustainable economic growth of the European economy" something however that Industry Committee head Herbert Reul slammed as "tantamount to economic and political suicide". "The EU's current 2020 emission's target is acting as a barrier to proactive emissions reductions efforts and investments in green technologies," said Dutch Green Bas Eickhout. "Sticking to the 20 per cent target is also now somewhat of an embarrassment for its international climate diplomacy - particularly given other countries' pledges are ahead of the EU." French Liberal MEP Corinne Lepage, shadow rapporteur, agreed: "Reducing emissions by at least 30 per cent by 2020 is vital to maintain a chance of avoiding disasterous effects resulting from climate change, but it is also in the interest of our economy, as low energy consumption is increasingly becoming a factor of competitiveness." MEPs said that the EU must fulfill its responsibility, together with the rest of the industrialised world, to participate in the financing adaptation to climate change and to help developing countries cut their emissions, as well as support the UN initiative on reducing emissions from deforestation and forest degradation - "REDD+". "The EU should live up to its pledges on fast start climate financing and to ensure that this is new and additional aid, and not loans or recycled aid from development budgets," Finnish Green Satu Hassi said.

Source: European Environment & Packaging Law

# UK government sets out new rules on alcohol pricing



The UK coalition government is poised to introduce a ban on selling alcohol below the rate of duty and VAT as part of a renewed assault on the country's binge drinking problems. The move – which would effectively introduce a minimum price of at least £2 on a bottle of wine, £10.50 on a bottle of spirits

and £8.50 for a 20-pack of beer - falls well short of the measures called for by health

campaigners. They have argued that a minimum price per unit of alcohol would be the most effective way of cutting consumption and tackling the health and social issues associated with excessive drinking. Health Secretary Andrew Lansley told the Andrew Marr Show on BBC1: 'We have said as a government that we are going to ban the below-cost sales of alcohol, because we have to have a combination here, we have to have action by the government.' The move was welcomed by the Wine and Spirit Trade Association (WSTA), whose head of communications Gavin Partington told Decanter.com: 'It's very different to minimum pricing. 'We've said for some time that we believe a ban on sales below duty and VAT is desirable, because these are consumer taxes. We honestly think it's the right way to go.'

Source: Decanter.com

### Environment Council to call for tradable recycling certificates



The Environment Council is set to call for the EC to look at setting up an EU trading scheme for recycling certificates similar to that operated for carbon emissions. The call will come in Council conclusions on sustainable materials commission management that the ministers adopted at their 20 December meeting and

followed on from informal discussions on the subject last July. The text "Invites the Commission and member states to develop a coherent mix of measures to make Europe's materials use more sustainable by further considering market based instruments steering the market towards recycling and waste reduction", going on to flag up tradable recycling certificates as one of those instruments. The conclusions call for the whole lifecycle of materials to be taken into account, using a common life-cycle-based approach and that the EU should develop a common methodology to assess the environmental impact of products and that there should be more focus on ecodesign.

Source: European Environment & Packaging Law

# Commission "struggling" on raw materials strategy say Greens



The EC is "struggling" to develop a proper strategy on raw materials, Reinhard Bütikofer, Vice-President of the Greens/EFA group in the European Parliament said, noting Industry Commissioner Antonio Tajani's continued postponing of the revised initiative. The German MEP and rapporteur on raw materials for the Industry Committee said that one of the major issues was the recent decision of

China to reduce rare earth exports. Business groups are also keenly awaiting the new strategy. In a hearing earlier this month, BusinessEurope's Adrian Van Den Hoven said that a proper policy was essential to help address four main challenges: access to raw materials, demand for certain minerals emerging from the development of new products, market distortions and sustainable development.

Source: European Environment & Packaging Law

## Hungary holds EU Presidency in first half of 2011

Hungary plans to concentrate on the big picture of EU energy policy as it takes on the EU's rotating presidency in January. Energy will feature prominently at the new presidency's first EU summit on 4 February. Hungary will hold the six-month presidency of the Council of Ministers in the first half of 2011. The key issues that Hungary wants to tackle during its presidency include energy, the Eastern Partnership, Croatia's accession to the EU and the Roma situation. On the energy front, Hungary's term comes shortly after the European Commission outlined the EU's energy priorities up to 2020 and plans to improve energy infrastructure in the next two decades. At the February summit, EU heads of state and government are to discuss the functioning of the European energy market. Issues on the table will include energy infrastructure, promoting innovative energy technologies and coordinating the EU's energy policy towards third countries. The meeting, which has already been dubbed an 'Energy Summit', will also include innovation aspects as concerns mount in Europe over growing competition from China on clean energy. Any urgent items could be added later on. Energy will also keep the Hungarian Presidency busy earlier in the year as it wants EU energy ministers to adopt joint conclusions on two major strategic documents when they meet on 28 February. These are the EU's 'Energy 2020' strategy, which sets

energy priorities for the next decade, and its energy infrastructure priorities for 2020 and beyond. Both were presented by the European Commission in November, and Hungary plans to kickstart discussions among member states in January in order to endorse the priorities in February. Another important strategy-setting document that Hungary will drive forward is the EU's updated Energy Efficiency Action Plan, which the Commission will present in early March. The presidency hopes to endorse its recommendations at the second formal meeting of energy ministers in June. The flow of medium-term strategies will be complemented with the start of discussions on the EU's 2050 energy roadmap. Source: Euractiv.com

### Europe's heavy industries to be given €40 billion carbon permits handout

Companies in 164 industrial sectors are to be given free allowances worth €40 billion to emit greenhouse gases under the European ETS after 2012. The decision has been taken by EU regulators out of fears that tighter controls on emissions in Europe will just force factories to relocate elsewhere, like China. The proposals come under new rules being proposed for allocating permits to pollute according to the carbon intensity of the factory concerned. The total value of the permits will be around €100 billion from 2012 to 2020. The free permits will not be available to energy companies, and electricity producers will have to buy all of their CO₂ emission permits by auction by 2020. The industries that will get free permits represent 40% of all the permits issued, and are therefore worth a total of €40 billion, and include the cement, steel, aluminium and chemical sectors, who argued that making them pay for permits would cause "leakage" of CO₂ emissions with no environmental benefits. After 2014, the list of companies eligible for free allowances will be revised.

Source: Eaem.co.uk

## Switzerland moves to join Europe's carbon market

Negotiations to bring Switzerland into the EU's Emission Trading Scheme (ETS) were approved in December by EU environment ministers. The EC is expected to start talks early this year. The move represents "the first time that the EU seeks a connection with such an existing scheme," EU ministers said. When negotiations are concluded, the agreement will have to find final approval from the European Parliament and the EU Council of Ministers. The ETS is the world's largest greenhouse gas emissions market, with a value of 28 billion Euros in 2007. It was recently expanded to include other countries in the European Economic Area such as Norway, Liechenstein and Iceland. Currently, Switzerland operates its own form of ETS as a voluntary alternative to a domestic fuel tax. Around 40 companies are reportedly involved in the scheme that covers some 6.9% of Switzerland's annual 52 million tones of CO2 emissions. Europe's ETS currently applies to over 10,000 industrial installations with a neat heat excess of 20 megawatts (MW) in energy-intensive sectors. Collectively, these account for close to half of the EU's CO2 emissions and 40% of its total greenhouse gas emissions.

Source: Euractiv.com

## CONTAINER GLASS INDUSTRY

# **Europe**

# Long term growth predicted in glass packaging market

Despite competition from plastic packaging solutions, the glass packaging market is forecast to exceed US\$36 billion by the year 2015. Glass continues to be desirable for high-end food and drink packaging. Environmental worries over recycling of alternative packaging and increased disposable income in developing markets mean that the market is set for further growth. The global recession has severely dented a market already under pressure due to increased raw materials costs.

Consequently, the status quo is likely to continue in the short term with the predicted growth taking place after 2011. The report entitled *Glass Packaging: A Global Strategic Business Report* (for more information please follow link) explains how Europe is predicted to remain the lead market for glass packaging. However, developments such as the increase

in alcohol consumption in India and China are likely to lead to strong growth in the Asia glass packaging market. Similar sales increases are predicted in Turkey and Russia where tastes are developing for flavoured water and beer, respectively. The markets of United States, Canada, Japan, France, Germany, Italy, United Kingdom, Spain, Russia, Asia-Pacific and South America are also discussed.

Source: Companies and markets.com

## Impress will give Ardagh greater access to global markets, says CEO



The acquisition of Impress will give Ardagh a wider global spread in emerging food and drink markets, according to the company CEO. Niall Wall, Ardagh CEO, said that while Ardagh had a strong hold in Europe, it was a mature market where there were limited growth opportunities. The CEO explained that by acquiring Impress, Ardagh will give the company a presence in major new markets such as

South America, Australasia and China. The €1.7bn deal between global metal packaging group Impress and Ardagh Glass was signed this Monday after gaining approval from both European and US regulatory authorities. The enlarged and diversified global packaging business will be known as Ardagh Group. The combined business will operate 81 facilities and hold either number one or number two positions in nearly all its served markets across 24 countries. The group will employ approximately 14,000 people and have annual revenues of over €3bn. In terms of rationalisation, although Wall didn't rule out the possibility of job cuts or closures, he maintained that anything that did happen would be "at the margins". "Rationalisation is not the synergy for this acquisition, but we will continue to be competitive," he said.

Source: Foodproductiondaily.com

#### O-I produces limited edition anniversary jar for European market leader



Initially an importer of "champignons de Paris", a hundred years later, Lutèce has become the European market leader in preserved mushrooms. Producing a million tons of mainly Dutch-grown mushrooms annually, the Dutch company this year

celebrates its centenary. To commemorate this special anniversary, O-I - the world leader in glass packaging - has designed a unique, limited edition jar featuring an embossed anniversary stamp. "Glass is inert and guarantees the perfect preservation of a product's taste and aroma", says Hans Lindeman of O-I Netherlands. Having supplied glass packaging for Lutece's preserved mushrooms for decades, it was a logical decision for the company to commission O-I to create a special version of the standard glass jar for Lutèce's 100th birthday. O-I collaborated with Lutèce to produce the 370ml flint glass jar, which features a three-dimensional stamp on the front bearing the words "100 jaar Lutèce".

Source: Packagingeurope.com

## Saranist glass container plant gets visit from President



Armenia's president Serzh Sargsyan visited the modernized Saranist glass container factory in the central province of Kotayk. The company has invested a total of USD 44 million in upgrading production lines, including a USD 3 million loan provided by the European Bank for Reconstruction and

Development (EBRD). Director general of the company Vardan Manukian informed that it has been operating without a break for the last 20 years, selling its products to Armenian companies as well as to Georgia and some European countries. Arsen Ghazarian, chairman of the Union of Armenian Industrialists and Businessmen, said Saranist is the largest company in the region manufacturing products meeting all European standards. The plant, which was built in 1989, sells glass containers and bottles for juice, non-alcoholic and strong alcoholic drinks to 75 local and 25 foreign companies, with 40% of production sold outside Armenia. In 2009, the company earned AMD 4 billion from sales of its products, and now, thanks to the new workshop, the plant hopes to increase sales by AMD 800 million. Source: Glassonline.com

## Negotiations with "Sisecam" company renewed, says Vice Premier



Macedonian Vice Premier for Economic Affairs Vladimir Pesevski said Monday the final answer from Turkish company "Sisecam" regarding the construction of a glass factory in Macedonia could be expected in the first quarter of next year.

According to him, the negotiations, which were interrupted due to the economic crisis, have been renewed and proceed well. "I am an optimist that the process will be successfully completed, but this is an enormous investment decision by the company. We are actively engaged and I expect their final answer in the first quarter of 2011", stressed Vice Premier Pesevski. The Macedonian Government and "Sisecam" signed last year a memorandum of understanding regarding the construction of a factory for production of beer and beverage bottles in "Bunadrzik" free trade zone in the course of 2010. The initially announced investment amounted to EUR 45 million in the first stage, employment for about 300 people and an annual output plan of EUR 45 million.

Source: Mia.com.mk

#### USA

### Verallia North America Sponsors Green Wine Summit



For the third year, Verallia North America was a Gold Level Sponsor of the Green Wine Summit held recently in Santa Rosa, California. This event is a comprehensive forum to explore sustainability in the wine industry, from soil

to marketplace. At the supplier showcase, Verallia highlighted its efforts in sustainable development, with a focus on glass as an ideal packaging material, eco-conceived glass products, and sustainable manufacturing. This included showing off its expanding line of ECO Series™ wine bottles. And Doug Hesche, VP Market Development, Verallia, participated in a panel discussion on "Green Sales & Marketing: Packaging" with other packaging suppliers, focusing on the life-cycle assessment of glass, bottle recycling, and green packaging.

Source: GPI.com

#### Latin America

## O-I to write off \$335M for plants taken in Venezuela



Owens-Illinois Inc. plans to take a \$335-million hit to its fourth-quarter earnings from the loss of two of its plants in Venezuela that were nationalized by the Venezuelan government. O-I Chief Financial Officer Edward White said that the company plans

to write the plants off as "discontinued operations." The Venezuelan government takeover, which took place in October, will reduce O-I's South American sales this year by \$129 million, and reduce its operating profits for that region by \$40 million. The company previously said that its Venezuelan business represented 3 percent of global sales and 5 percent of the company's global operating profit. The glass-bottle manufacturer aims to reach \$9 billion in global sales by 2012, up from \$7.1 billion last year.

Source: Toledobalde.com

# Vitro: US court rejects freezing assets



Mexican glassmaker Vitro reported that a US court has rejected a request from bondholders to freeze assets and allow the bankruptcy of its US units. The request was designed to restrict the units' capacity to make transactions

outside the US or to take part in Vitro's Mexican debt restructuring. According to the statement released by the company, the US court ruled the company's Vitro America division could continue to take on debt via Bank of America. Monterrey-based Vitro aims to exchange USD 1.216 billion of bonds that expire in 2012, 2013 and 2017 was an offer scheduled to close on 7 December. Four investment funds, part of an ad hoc group of noteholders holding about USD 75 million of Vitro's notes, who say the exchange would not give them a fair payment for their debt, filed the request with a US bankruptcy court in the Northern District of Texas. Vitro has accused the funds of "misleading statements" and defends its restructuring

plan. Vitro was caught out in 2008 when the global credit crisis threw Mexico's peso into freefall, which led to big losses in currency derivatives that many investors were not aware of. Source: Glassonline.com

#### Asia

### Owens-Illinois to acquire glass container manufacturing of Hebei Rixin Glass Group

Owens-Illinois, Inc. announced it had entered into an agreement to acquire the glass container manufacturing business of Hebei Rixin Glass Group Co., Ltd. in northern China. The deal, expected to close before year-end, means O-I has more than doubled its capacity in China in the past year to more than one million tonnes (up from 440,000 tonnes), making the company China's second largest glass container manufacturer. The acquisition, located in the fast-growing Beijing/Tianjin region of China's Hebei province, includes two plants and delivers an additional 270,000 tonnes of capacity for O-I. The Hebei province is the third largest glass market in China and represents approximately 10 percent of the total Chinese market. The newly acquired plants produce glass containers predominantly for China's rapidly growing domestic beer market. By 2015, China's domestic beer market is expected to reach 573 million hectoliters - more than twice the size of the U.S. beer market, which is the world's second largest. "This acquisition supports our strategy of expanding in emerging markets with strong growth and long-term earnings potential," said O-I Chairman and CEO Al Stroucken. "Our operations in China now include eight glass manufacturing plants, as well as a plant in Tianjin that produces moulds for glass manufacturing. The newly acquired plants have lower cost profiles than our existing operations in China, thereby enabling us to expand our reach beyond the premium markets and into the rapidly growing mass beer market." The announcement follows recent acquisitions in China's Sichuan Province, announced in May, and Guangdong Province, announced in October. In addition to increasing O-I's capacity, the acquisition has strengthened the company's customer base among China's leading breweries, such as Tsingtao, Yanjing and CRB - owner of the world's largest beer brand, Snow. Source: Research.scottrade.com

#### South Africa

## "Choose Glass, Choose Health" Campaign launches in South Africa



Consol is the largest glass manufacturer in Africa, serving customers both in South Africa and around the world. As part of its corporate values, Consol has made a commitment to promote glass packaging as part of healthy living. As part of that effort, they just launched a "Choose Health" awareness campaign.

Watch the video here.

Source: GPI.com

#### FLACONNAGE

## Elizabeth Arden's Red Door gets new look



To celebrate the 100th anniversary of the brand's landmark building, Elizabeth Arden has launched a new 100th anniversary Red Door Edition for the perfume described as a "sensuous and sophisticated mélange of rare florals."

Source: Mimifroufrou.com

## Baralan relies more than ever on its assets



The Baralan group will end up the year 2010 in growth. The Italian supplier continues to build on standard glass bottles and the strength of its commercial network. With 30 million Euros in sales expected this year, the Baralan group will be ending 2010 in progress compared to the previous year. The Baralan group now employs a staff of 105 people and comprises five separate companies. In

addition to the traditional design and distribution activity of standard packaging in Europe, the group features Labor Plast Moulding (plastic injection), Gloss Tech (surface treatment,

coating, metallization), Inovo Design and Arrowpak in the United States. Standard glass bottles constitute the main market of the packaging activity itself, and include the bottles for conditioning nail polishes, which still represent 65% of Baralan's turnover. On this segment, the Italian company offers the bottle but also its accessories, including the closures equipped with their brushes.

Source: Premiumbeautynews.com

Gerresheimer: fourth production line for prefillable glass syringes at Bünde

Double-digit rates of annual growth are being recorded in the prefillable glass syringe market. Gerresheimer, number two in the global market, is now stepping up its production capacity and investing around EUR 20 million in a fourth production line for prefillable syringes which will be completed in 2012. The new line will then provide annual capacity for up to 120 million syringes. "We are a successful supplier of syringes to pharmaceutics customers around the world. Now we are investing in this fast growing market again to consolidate our global market position further. The technical knowhow of our Syringe Competence Centre in Bünde makes it the ideal platform for further growth," said Uwe Röhrhoff, CEO of Gerresheimer AG.

Source: Gerresheimer/ Glassonline.com

# **TABLEWARE**

## Dining 'fully booked' for Ambiente 2011



Ambiente, the key consumer trade show of the year for the tableware sector is set to be a belter for Dining, as the show reports being fully booked in this sector for the forthcoming show in February. The five day show, which showcases Dining as one of the three broad categories along with Living and Giving is being marketed under the slogan 'Coming Home' to signify the importance for the show

to the consumer good industry and the assurance that Ambiente brings together the real 'hub' of the consumer marketplace with its 4'500 exhibitors. The range of products on offer at Dining is unique across the world in its diversity, which is what makes the fair the international industry highlight of the year. "In 2011, the leading international fair Dining will be reaffirming its role as the industry's most significant event", said Thomas Kastl, Director Dining.

Source: Tablewareinternational.com

## COMPETING MATERIALS

#### **Cans**

## Ball ties with Australian firm for wine-in-cans push



Ball Packaging Europe (BPE) has become the exclusive European supplier for Barokes Wines' Vinsafe technology for wine in a can. An agreement between Barokes and BPE is conceived to help expand the European market for wine in

cans, particularly targeting the 20 to 39 year olds who are said to be more receptive to non-traditional formats. Ball will produce slim cans carrying the Vinsafe logo to demonstrate that both can and content comply with the specified and globally-patented standards. The technology looks at three key aspects: the wine itself, the can production and the filling process. Grape varieties and wine parameters must be approved by Barokes' master of wine to be suitable for canning, while the production process for the can ensures that there is no interaction between product and packaging.

Source: Packagingnews.co.uk

#### Worldstar award for cans

Impress has received Worldstars 2010 for its 2 piece PowerClick® cans and its KlickSafe® closure for conical paint pails. "Worldstar" – the world packaging organisation and the most



senior packaging industry body. A "Worldstar" in packaging can only be awarded to products that have already won an International Packaging Award in the same year so Impress PowerClick® and KlickSafe® product innovations have been distinctly rewarded. PowerClick® is a design feature for aluminium and steel cans that

enables them to be clicked together one on top of the other. It provides consumers with easy transport and handling, reclosability in the home, and savings in secondary outer packaging by simply clicking several cans together. It can be produced for a range of diameters and heights. PowerClick® was a gold winner at the Cans of the Year Awards in November 2009 in the prototype category.

Source: Ceepackaging.com

#### **Plastics**

## Production of bioplastics not so green

Plant-based plastics may seem like a good option, but making them is not such an environmentally-friendly process. According to "Discovery News," research has found some bioplastics have a higher environmental footprint than certain petroleum-based plastics. "The main concern for us is that these plant-derived products have a green stamp on them just because they're derived from biomass," said study author Amy Landis of the University of Pittsburgh. "It's not true that they should be considered sustainable. Just because they're plants doesn't mean they're green." For more information: http://www.gpi.org/pdf/ci/ci-101220-1.pdf

Source: GPI.org

### Heinz launches new baby-food line in resealable plastic pots



Pearlfisher has redesigned the packaging for Heinz's entire baby-food portfolio to accompany the launch its new Taste of Home range in resealable plastic pots. Heinz said Taste of Home is packaged in plastic pots with resealable lids because they are easy to use on the go as they can be heated and resealed.

Katie Bleach, marketing manager for Heinz Infant Feeding, said busy mums sometimes found it difficult to find the time to cook from scratch. "We also know that mums prefer the 'home-made' look of plastic pots but are often put off by the high prices and niche recipes." As well as the plastic pots, Heinz will introduce Pearlfisher's new design across its entire baby-food range from January. The design focuses on the healthy and wholesome nature of the products as well as the taste with a simple architecture. A consistent colour scheme makes it easier to navigate the different sub-brands, Heinz said. "The investment from Heinz and the increases in the existing portfolio are all part of our commitment to drive sales for our retail partners," said Bleach. The Taste of Home range of savoury meals caters for three distinct age groups - babies aged 4+ months, 7+ months and 10+ months. Each variety is steam cooked with at least three vegetables or fruit. Each recipe is also crafted to provide the best texture for babies through each stage of their development, said Heinz.

Source: Packagingnews.co.uk

#### IK association warns of cost explosion in 2011



Germany's plastic packaging companies will struggle with higher costs next year because of high raw material and energy costs, as well as strong competition from neighbouring companies, warns the industry association IK. IK

Industrievereinigung Kunststoffverpackungen says the despite a 15% increase in turnover in 2010, plastics packaging companies have had to deal with dramatic price increases for raw materials and force majeures. "Apparently, the raw material producers want to pass on any risks surrounding them to the plastics processing companies, most of which are mediumsized companies," says the associations. Costs will also be pushed up by higher energy costs, which will go up by approximately 70%, and competition from neighbouring companies, says IK. Furthermore, transport companies have already predicted dramatic price increases for 2011 due to predicted bottlenecks with logistics capacities. Source: Europeanplasticsnews.com

## Rexam considers closures unit ripe for divestiture



According to several sources, Rexam is considering selling its closures business, including assets the company acquired in its 2007 buyout of Owens-Illinois. A source in the closures unit of the company said that employees were recently

informed that an internal audit recently identified that business as ripe for divestiture. Employees were told that an external audit will be conducted in the first quarter of 2011 to determine the feasibility of a sale, the source said. Greg Brooke, a Rexam Americas spokesman, confirmed that the parent company is exploring options, including the potential sale of its beverage and specialty closures assets. Rexam's business units are Beverage Can and Plastic Packaging, which includes Closures, Personal Care and Healthcare divisions (Editor remark: the closures business is predominantly in North America and has no manufacturing in Europe).

Source: Europeanplasticsnews.com

# Krones obtains FDA approval for dry-aseptic filling line



Bottling equipment manufacturer Krones AG, Neutraubling, Germany, has received a letter of non-objection from the FDA for a rotary dry-aseptic PET-bottle filling system featuring H2O2 as the sterilising agent. This "path-

breaking development" has so far been accomplished only by Krones, and will have been keenly noted well beyond the borders of the USA, Krones claims. The American Food and Drug Administration (FDA) test includes verifying microbiological safety when filling low-acid aseptic products in the range from pH 4.6 to pH 7. In order to evidence the requisite microbiological safety, the machine manufacturer has to have a validation procedure carried out by a "process authority" approved by the FDA. If this test is passed, the FDA will issue the letter of non-objection. This Krones has now achieved, with a rotary aseptic filling system in the low output category for one of Nestle's research centres in the USA. Source: Globalmalt.com

#### Cartonage

## Innocent to move juices from cartons to PET bottles in 2011



Drinks brand Innocent is to drop cartons for its not-from-concentrate juices as it expands the range early in 2011. The smoothie group is to replace the liquid carton packaging with PET bottles for its two existing not-from-concentrate juice

lines early next year as it launches a new not-from-concentrate juice range. Five SKUs in the range will include a new apple juice and two sizes each of orange juice with bits and orange juice without bits, according to reports.

Source: Packagingnews.co.uk

#### CONTAINER GLASS ACCESSORIES & SUPPLIERS

## Bucher Industries wins CHF 40 million glass forming project in India



Leading Indian glass manufacturer Hindusthan National Glass & Industries Ltd selected Emhart Glass, a division of Bucher Industries, as its supplier for a major greenfield glass container production plant at Najdu Peta and a

significant extension to its existing plant at Nashik. HNG chose Emhart Glass as supplier after an extensive comparison and benchmarking process. Emhart Glass won the bid due to its latest state of the art technology and the proven reliability track record of its glass forming machinery. The president of HNG stated «Due to HNG's growing technical demands in glass forming HNG chose Emhart Glass as the ideal technical partner.» The high-productivity greenfield plant with a daily glass melting capacity of 700 tons will be equipped with four Emhart Glass' 12-section AIS and two newly developed BIS machines. The major extension and modernization of HNG's existing Nashik plant comprises the supply of another six 12-section AIS machines of the same technology as the greenfield plant. The value of both contracts amounts to CHF 40 million. All machines shall be delivered in late 2011. Source: Glassinchina.com

#### RETAILERS

## Concerns raised over Tesco acquisition



Tesco's recent acquisition of a chain of convenience stores has prompted competition concerns. The UK's leading grocer could face investigation after its recent acquisition of the 77-strong Mills convenience store chain via its

subsidiary, One Stop, bringing the total number of Tesco-owned convenience stores to over 1700.

Source: European Environment & Packaging Law

## Consumer recovery drives Q3 growth for Tesco



UK retailer Tesco has said it is seeing "a steady consumer recovery" as it reported improved sales for the third quarter. The supermarket giant this morning reported overall year-on-year sales growth of 8.8%, excluding petrol. The figures were

driven by strong growth in Tesco's international markets, especially the US, which posted 9.8% like-for-like sales growth. In the UK, like-for-like sales were up 1.5%. Despite the relatively small increase, Tesco said that it was seeing evidence of a "steady" recovery in consumer spending, with its Finest range in double-digit growth over the last two years. Sales at Tesco Direct, meanwhile, the group's home shopping business, grew 30% year-on-year. Actual UK sales grew 5%, helped by the opening of new stores in places such as Bishop Auckland, Nottingham Beeston and Accrington. In today's update, Tesco chief executive Terry Leahy said: "Our continued investment in the shopping trip and our new space opening programme across our markets are giving us good sales momentum and market share gains. "As the global economic recovery gathers pace, our broad-based strategy, combined with our ongoing focus on productivity savings, is enabling us to maintain growth in a sustainable, profitable way."

Source: Packagingnews.co.uk

#### **CUSTOMER INDUSTRIES**

## UK Pub sales of wine and spirits tumbling

But value of wine in on-trade is on the up. Wine and spirit sales have both slumped in the on-trade, according to a report from the Wine and Spirit Trade Association (WSTA). Figures in the group's quarterly Market Report shows that while wine sales are down in pubs and clubs they have increased in value by 3.5 per cent. Spirit sales, however, are down 4.6 per cent in volume and 3.7 per cent in value. The data also shows that the average price of a bottle of wine is £4.47 and that Argentinean wine is the star performer in the on-trade, with a 50 per cent increase in value for licensees. WSTA chief executive Jeremy Beadles said: "It's encouraging to see wine delivering value in pubs and restaurants as well as in the off-trade, despite the reduction in volumes. "The breakdown shows rosé and white as the strongest performers in food-led pubs, whilst all wines are delivering value growth in hotels and restaurants.

Source: Thepublican.com

#### **Spirits**

## Blue Marlin highlights ice in new aniseed spirit bottle



Blue Marlin has created a new bottle for a Bulgarian spirit that mimics the ice crystals that form when the drink is cooled down. The design agency gave Mastika, a Bulgarian aniseed spirit, a crystalline bottle to highlight the product's key feature. Label graphics also reflect the crystals. In addition, the new label features a trompe l'oeil effect, the agency said. Blue Marlin Bath creative director Chris Hart said: "Mastika Peshtera drinkers are passionate about the brand and we had to be careful about moving the

design into more modern territory. "The new look is both contemporary and classic and will help to attract new consumers without alienating brand loyalists."

Source: Packagingnews.co.uk

#### Limited vodka bottle produced



The new limited edition Absolut vodka – Absolute Glimmer - features a glass bottle, produced and decorated in-line at Ardagh's Limmared plant. Ardagh worked closely with Pernod Ricard to create a completely new appearance and texture for the iconic brand's bottle. Martin Peterson, Regional Operations Director at Ardagh

comments: "We are proud to have supported the team at Absolut in bringing this challenging and innovative design to life." Previous limited editions, produced and decorated by Ardagh, have applied a variety of labelling and surface printing techniques onto the distinctive Absolut bottle. Mark Hamilton, Pernod Ricard UK's head of marketing for vodka, said: "For the first time we have challenged the Absolut bottle design to create something truly different. Limited Edition provides the trade with an engaging consumer proposition by representing something genuinely bold, innovative and interesting in-store."

Source: Ceepackaging.com

## Sparkling Wine

#### Bubbly sales figures send champagne corks popping



As New Year's revellers rang in 2011 with a bottle of bubbly, the makers of the most expensive champagnes were celebrating a return to favour after two years of decline, while cheaper brands continue to battle on price. Sales of the most expensive wines, including those made by LVMH (Moet Hennessy Louis Vuitton),

are bucking the industry trend as the wealthiest drinkers shell out more than \$US130 a pop for a bottle of champagne again amid a revival in luxury spending after the credit crunch. Sales dropped in 2008 and 2009, when conspicuous consumption was "seen as virtually socially unacceptable", said Andrew Hawes, managing director of Mentzendorff, the British distributor of Bollinger, and chairman of the UK Champagne Agents Association. Champagne sales as a whole are set to post a decline of 0.9 per cent by value this year, the third consecutive drop, according to Euromonitor research. But volume of the highest-priced champagne segment will continue to grow at a compound annual rate of 1.8 per cent from 2009 to 2015, according to a report by market researcher International Wine and Spirit Record.

Source: Smh.com.au

## Champagne loses title as world's favourite fizzy



The Italian winemakers' association Assoenologi has estimated that by the end of 2010, 'bollicine', or Italian bubbly, will have sold some 380 million bottles worldwide – around ten million more than sparkling wine from France's Champagne region.. Source: Winebiz.com.au

### Wine

## EU to extend wine reform 'grubbing up' scheme

The European Commission will extend funding for winemakers who wish to grub up their vines (editor: 'closing vineyards') as it seeks to rebalance supply and demand in the EU's wine sector. Subsidies for grubbing up vines will continue up to 2015, EC officials informed the French Government this week. The original

deadline was to have been 2013. France raised the issue after becoming concerned about its ability to manage an expected rush of applications from winemakers seeking to beat the deadline, French Government agency FranceAgriMer said. Grubbing up vines is a central pillar of the EC's attempt to drain a surplus of average quality wine in the EU. In autumn 2009, it initiated a three-year scheme that called for winemakers to voluntarily grub up a collective 175,000 hectares of vines in return for compensation. In 2010, the EU's 27 member states have spent around EUR1bn of EU funds on a range of wine measures, from

grubbing up to marketing. The EC hands funding to individual member states based on the size of their wine industries. In a five-year plan drawn up in 2008, Italy and Spain were promised around EUR1.5bn and France EUR1.2bn of EU funding.

Source: Justdrinks.com

#### Supermarket sells smaller wine bottles to curb home drinking

A supermarket is introducing smaller bottles of wine to reduce the millions of middle-class households putting their health at risk when drinking at home. Morrisons says the 50cl size reduces the unnecessary consumption associated

with the conventional 75cl bottle which tempts drinkers to finish excess wine rather than pouring it away. The supermarket says its extra range will be "particularly suitable for couples aiming to keep below the government's recommended limit of 14 units a week for women and 21 units a week for men". A comprehensive survey published by Office of National Statistics last year found middle aged, professional Britons were more likely to exceed recommended daily levels of alcohol consumption than the working-classes, with twice as many drinking every night of the week.

Source: Telegraph.co.uk

#### Beer

### Diageo in £2m upgrade at Guinness facility in Belfast

DIAGEO

Global drinks giant Diageo is reported to have invested more than £2m to improve efficiency at its packaging facility in Belfast. The investment will allow the manufacturer to automate a number of key processes at the plant, which

produces brands including Guinness, Harp and Smithwicks. The Belfast Telegraph reported that the group has installed a canning shrink-wrapping facility, improving overall operational effectiveness and increasing the range of pack types produced at this site. Northern Irish development body Invest NI has granted £500,000 of support, which has been partly funded from the European Regional Development Fund. Diageo employs some 521 people across its four Northern Ireland operations, 151 of which work at the Marshalls Road that has been upgraded. Paul Armstrong, operations director of Diageo's Europe beer supply division, said demand for new formats and pack types from consumers and large retailers required continuous investment.

Source: Packagingnews.co.uk

#### Beer industry unveils packaging reduction plans



The British Beer & Pub Association (BBPA) has outlined plans to reduce packaging and packaging waste in a raft of environmental measures for the sector. BBPA's 'Brewing Green/Our commitment to a sustainable future for

Britain's beer' report announces a target to reduce carbon emissions by 67% by 2020, compared to 1990, and improve water efficiency by 42%. No specific packaging targets have been set at this stage but two commitments focus on packaging: *Packaging waste and recycling: To play our part in the reduction of packaging waste from our products. Packaging reduction and 'lightweighting' of containers: To minimise the use of packaging without compromising the safety and quality of our products – through lightweighting and working with the wider supply chain.* A BBPA spokesman said the organisation would collect data on packaging to be able to evolve the commitments in the area. "The first step is to get a national picture on the issues to be able to set targets in the future," he said. Source: Packagingnews.co.uk

### Heineken slims supply chain with global packaging revamp



Beer giant Heineken has revealed a range of innovations in new globally standardised packaging that it plans to roll out worldwide next year. The Dutch brand is to introduce the first wave of a standardised global packaging range in

Western Europe in January and roll it out across its 170 global markets by the start of 2012. The revamp will move Heineken from producing 15 bottle sizes across the world to just five. Graphically, it builds on visuals that were first launched at the start of 2010 Heineken is

hoping that a uniform look for its packaging will streamline its supply chains and underline the brand's identity but it is also introducing a number of technical innovations. The glass bottle, for instance, will feature a curved embossment on the neck and back, which, the company said, will be "pleasing to the touch". Mark van Iterson, manager global Heineken design and concept, said: "We believe that with one recognizable bottle the global Heineken brand will be further strengthened. With uniformity comes even greater impact." "The bottle will reinforce the new packaging visual identity which has already been applied to the contemporary tactile can and embossed glasses that were introduced in selected markets earlier this year. As the market leader we pride ourselves on being progressive in design as well as taste."

Source: Packagingnews.co.uk

## Heineken to become first alcohol brand to sell goods via Facebook

Heineken seems to become the first alcohol brand that sells goods through Facebook, a British marketing magazine reported on Tuesday. According to the report, Heineken is launching a Facebook store to sell a range of branded merchandise, such as Heineken-branded clothes "as part of a fresh unified global marketing strategy".

Source: Globalmalt.com

# Anheuser-Busch InBev announces pricing of BRL 750 Mio of 9.750% notes due 2015

Anheuser-Busch InBev, a subsidiary of Anheuser-Busch InBev SA/NV, announced, that it has priced a BRL 750 Million offering of Brazilian Reais denominated notes with a fixed interest of 9.750% per annum and maturity date of November 17, 2015. The issuance is expected to close on November 17, 2010, subject to customary closing conditions.

Source: Globalmalt.com

### Royal Unibrew and Van Pur team up in Poland



Danish brewer Royal Unibrew A/S has entered into a conditional agreement with the Polish brewery group Van Pur SA partly to merge Van Pur SA and Royal Unibrew Polska Sp. z o.o with the breweries in Lomza and in Jedrzejow, and partly to transfer Royal Unibrew's share of the brewery Browary Lubelskie "Perla" SA. Van Pur SA will

be the future company, with Royal Unibrew A/S as a 20% shareholder, Royal Unibrew on Friday said.

Source: Globalmalt.com

## **RECYCLING/ COLLECTION**

#### Poland may introduce product fees on packaging

The Polish government is currently discussing an amendment to the Polish producer responsibility legislation for packaging waste. Amongst the changes is the proposal to introduce product fees on packaging to be paid by producers who do not meet their recycling and recovery targets. These product fees will be clarified by the publication of more detailed calculation rules. Revenues from the product fees will go to the 16 regional authorities in Poland, and will be used by them for selective collection and public education. This measure is intended to reinforce the system for collection of waste in Poland.

Source: Ceepackaging.com

#### Germany: Politicians must prioritise recycling, says DSD

Germany's "closed cycle" economy will be secure if politicians "anchor the primacy of recycling deep in statute law". That was the message of the first green dot scheme Duales System Deutschland GmbH (DSD) at its 20-year celebrations at the end of last month. "Secondary raw materials are in fierce competition with primary raw materials when it comes to quality," said DSD's chief executive officer Stefan Schreiter.

"Therefore, the path we've taken must be safeguarded and advanced." "Recycling is becoming progressively more important as a source of raw materials for the German economy, and for reducing environmental impact," Schreiter said. "This becomes all the more imperative when you remember that Germany has almost no natural resources of its own, and the dependence on just a few supplier nations has adverse effects on the economy." He said that DSD's creation and the enactment of relevant legislation 20 years ago marked the beginning of the closed cycle economy. DSD had been a political solution to the waste problem, one that had "survived even through a variety of political constellations," and was now "an international success story". The key to this success was producer responsibility now expanded to include other areas. "That's the only way to provide enough incentives to cut waste even during production, and to make sure that both products and packages are suitable for recycling," Schreiter said.

Source: European Environment & Packaging Law

# Eco Emballages launches new sorting campaign



French green dot scheme Eco Emballages, with the aim of reaching the 75 per cent packaging recycling and recovery target under the environmental "Grenelle", launched a new and massive sorting awareness campaign last week featuring advertisements to appear on French television, the internet, in

the press and a "green information" line (Numéro Vert). Some 93 per cent of French citizens say that sorting waste is the most important way of contributing to the environment, and 84 per cent say that they sort their waste, the organisation said. However the actual amount of sorted household waste is significantly less at 63 per cent. To hit the 75 per cent target, 400,000 more tonnes of packaging must be recycled a year. Business must also increase their efforts to finance the scheme and create lighter and more easily recyclable packaging, Eco Emballages said on 30 November. The TV advertisement, 30 or 40 seconds' long, will be broadcast 1,811 times from 28 November to 19 December reaching 90 per cent of the over 15s, the organisation said.

Source: European Environment & Packaging Law

## FOOD CONTACT MATERIALS

## Norway to follow after European Commission on BPA ban

After the European Commission's proposal to ban BPA in baby bottles was supported by member states on 25 November, bottles containing BPA are to be forbidden throughout the EU from next Spring - and Norway is to follow suit, the Norwegian Food Safety Authority announced. The European Food Safety

Authority (EFSA) recently carried out a risk assessment of BPA. The main conclusions of the report were that there is no basis for changing current BPA limits for materials in contact with food, and that there is not enough data to support the claim that BPA has harmful effects on young children. However, the EC nevertheless proposed a total ban on production of baby bottles containing BPA in the EU from March. Sales and import of bottles containing BPA will then be prohibited as of 1 June. The Norwegian Food Safety Authority has decided to start the preparatory work to implement the same ban in Norway immediately. According to environmental organisation Grønn Hverdag, this decision by the Norwegian Food Safety Authority is a victory for common sense, consumers and the precautionary principle - and is to be expected, as Norway is linked to the EU and implements its laws through the European Economic Area agreement. A study carried out in 2009 by Grønn Hverdag and the NRK consumer rights television programme FBI showed that about half of the baby bottles on the Norwegian market contain BPA, including bottles from market leader Avent. The investigation led to the removal of all BPA-containing baby bottles from the Norwegian market in one week.

Source: European Environment & Packaging Law

## STUDIES/RESEARCH

## European Commission publishes research on Waste Prevention



In December the European Commission Environment directorate published a report titled "Analysis of the evolution of waste reduction and the scope of waste prevention." The report provides a detailed analysis of 'waste prevention'. To analyse the scope of waste prevention the report covered specific key questions: the relation between reuse and prevention, possible trade-off between qualitative

and quantitative prevention, and the border line between recycling and prevention. Additionally the report further focuses on a possible taxonomy for waste prevention activities. It designs a visual map for waste prevention strategies at different stages of the life cycle. It is worth mentioning that this report has reviewed the opinion of different stakeholders on key issues and integrated their opinions into the report. Among the key findings is that recycling and prevention are connected, but request a different approach as prevention requires different decisions and different policy measures than recycling. Click *here* to view the online version.

Source: Ec.europa.eu/environment/waste/prevention/pdf/report\_waste.pdf

### RAW MATERIALS

### IDEA announces soda ash and calcium chloride plant



IDEA International Company, Saudi Arabia, has announced the establishment of the first regional soda ash and calcium chloride plant to be located in Jubail Industrial City in the Eastern Province of Saudi Arabia. The project will be managed by a new company, called IDEA Soda Ash and Calcium Chloride, and

will produce 500,000 MTA of soda ash and calcium chloride in Phase one of the project. According to Marwan AlGhurair, member of the board of IDEA, the company has worked for the last three years on developing the project, conducting studies, securing raw materials and acquiring all required licenses and permits required to operate the plant as well as other plant utilities. The new company, which will offer more than 1,000 employment opportunities, has also completed technology selection and supply agreements for all raw materials. IDEA International Investment & Development is an owner and developer of different industrial projects of competitive advantages in Saudi Arabia, and is owned by a group of businessmen from Saudi Arabia and other GCC countries.

Source: Glassonline.com

#### **PEOPLE**

#### New CFO for Saint-Gobain Oberland AG



The Board of Directors has in its meeting on 9 December 2010 named Mr Klaus J. Rudolph CFO of Saint-Gobain Oberland AG as of 1 January 2011. He follows Marcus B. Teschner who left the company for personal reasons

in March 2010.

Source: Termintrader.com

#### **EVENTS**

#### PCD (Perfumes, Cosmetics & Design)



8 - 9 February 2011Cité des Sciences et de l'IndustrieParis, France

## FEVE Water Tasting Event - Registration now open!



9 February 2011, 6 - 8.30 pm European Parliament Brussels, Belgium

#### FRESHCONEX 2011



9 - 11 February 2011 FRESHCONEX Berlin, Germany

#### **Ambiente**



11-15 February 2011 Frankfurt a. M., Germany

### **Pharmapack**



Pharmapack 23 - 24 February 2011

Paris, France

#### GulfGlass 2011

**Guif Glass** 7 - 9 March 2011

National Exhibition Centre

Abu Dhabi, United Arab Emirates

### Prowein



27 - 29 March 2011 Duesseldorf, Germany

### Interpack



12 - 18 May 2011 Duesseldorf, Germany

## Glassman Europe – meet FEVE at Glassman Europe!



25 - 26 May 2011

Hall 5, Montjuic, Palau de Congressos

Barcelona, Spain

## FEVE AGM and Open Day



16 June 2011 FEVE 16 June 2011

Brussels, Belgium

### Vinexpo



19 - 23 June 2011 Bordeaux, France

## Fachpack



FachPack 2010 15 September – 29 September 2011 Nuernberg, Germany

#### Simei



Fiera Milano City
22 – 26 November 2011

Milan, Italy

## ANUGA



8 - 12 October 2011 Cologne, Germany

FEVE The European Container Glass Federation

For regular updates of the work of FEVE please visit the FEVE website: www.feve.org. All FEVE News editions are now also available for download in the Member Section.



Since 2010 FEVE is now also on TWITTER. Join us at #FeveEU!

Please inform us about press releases, interesting events and personnel changes in your company or the container glass industry.

The next FEVE News will be published by the beginning of February 2011.



JOIN US AT FRIENDSOFGLASS.COM