

# NEWSLETTER – September 2011 – N°398

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# **EUROPEAN UNION NEWS**

### Polish Presidency calls to commit to competitiveness and climate and environment



EU Ministers meeting for an Informal Competitiveness Council in Sopot, Poland, in July insisted on the importance of "the marriage between industry and the environment". In an unusual gesture, the Polish Presidency had invited Environment Minister Andrzej Kraszewski and Environment Commissioner Janez

Potočnik to take part in the discussions. "One of the biggest challenges in the EU's future is to reconcile its climate and environment ambitions with competitiveness and growth," said Polish Economic Affairs Minister Waldemar Pawlak, adding that despite its reliance on coal, Poland had, "in the past 20 years, cut its CO<sub>2</sub> emissions by 30 per cent while doubling its GDP". "We have considerable experience in reducing emissions, which we have succeeded in combining with high growth," he added. "Poland will willingly resume the discussions on additional targets, but first we are awaiting the country-by-country economic impact study promised by the Commission. We consider it obvious that the cost has to be estimated before coming to a decision," added Kraszewski at the closing press conference. "The environment targets cannot boil down simply to reducing CO<sub>2</sub> emissions. They also comprise energy efficiency, an area where Poland has made a huge effort."

### New ISO standard scrutinizes GHG emissions auditors

The latest international standard relating to greenhouse gas (GHG) emissions aims to boost confidence in emissions claims and carbon trading by ensuring that the teams in charge of validating and verifying performance are competent to do so. Maintaining public confidence in emissions reporting is important for organisations looking to avoid accusations of "greenwashing" their environmental performance. "If an organization publishes claims that are later discovered to be unreliable, it risks damages both financially and in terms of their reputation. This is why the competence of those assessing such claims is absolutely crucial," says Dr Tod Delaney, convenor of the ISO working group responsible for the new ISO 14066. Martin Baxter, executive director of policy at the Institute of Environmental Management and Assessment welcomed the new standard: "The credibility of carbon trading and reporting is underpinned by the accuracy and reliability of GHG emissions data. The central issue is to ensure that those who are verifying and validating GHG emissions are competent and the new ISO 14066 standard makes a welcome contribution to ensuring that high standards are maintained and developed."

ISO 14066: 2011- Greenhouse gases – Competence requirements for greenhouse gas validation teams and verification teams is the latest document in the ISO toolbox of standards to address climate change and GHG emissions. It started in 2006 with ISO 14064, a three-part standard for assessing GHG emission reduction projects. This was followed by ISO 14065, which sets out the accreditation requirements for organizations that validate or verify GHG emission assertions or claims.

Source: Foodproductiondaily.com

### Hungary informs European Commission on new product fee law

Hungary informed the European Commission about its new product fee law. Under this law, of which some provisions will enter into force on 1 September and the rest on 1 January 2012, Hungary would be the first country in the EU to set up a public national waste management agency to handle waste collection and services which will basically end the producer responsibility. Hundary said that the aim of the new product charges for packaging (and a whole series of other consumer goods) listed in the amendments to Act LVI of 1995 on environmental product charges is to finance proper collection of the various products after use to guarantee recovery and recycling. Fifty per cent of the revenues gleaned from the product charge will go to fund the new waste agency (OHÜ) responsible for tendering collection services from 1 January 2012, the law, notified on 1 July said. For packaging, the new agency will replace a number of private recovery organisations including Öko Pannon which has been operating for ten years. Crucially, when the new rules come into force, packaging producers will no longer be able to get exemptions from the charges by signing a waste collection agreement. Instead, anyone liable to pay for collecting, using or recycling packaging, tyres, batteries, and electrical and electronic devices may opt for individual waste treatment. This new arrangement, the ministry says, will allow them to pay the charge at reduced rates: the higher the percentage involved in recycling, the lower the charge due. The new law has already been much slated by industry, notably the umbrella group for packaging recovery "green dot" organisations Pro Europe also fears for the future of Hungary's green dot scheme Öko Pannon. For packaging, including supplementary packaging and packaging-related devices, a new de minimis rule is being introduced, which means that the charge will no longer apply to small quantities of packaging. Small scale packaging distributors will only have to report annually and pay a reduced lump sum. Source: European Environment & Packaging Law

### EU prepares to re-open REACH 'can of worms'



Five years after its adoption, the EC is preparing to review the controversial REACH regulation, which for the first time required chemical manufacturers to justify that their products are safe for consumers. It's a potential "can of worms," according to EU officials. The EC is now preparing to review the controversial piece of legislation, which sought to protect consumers' health and the

environment from the dangerous effects of toxic chemicals. Adopted in 2006, REACH sought to review the 100.000-odd chemical substances which are currently on the market and screen them for potential threats to human health or the environment. Since then, only a small number of chemicals have actually been reviewed, starting with a list of 47 Substances of Very High Concern (SVHC), which are suspected of causing cancer or disturbing the human reproductive system. But there are a lot more substances out there, said Page, who is calling for the screening process to be accelerated. "Obviously, there are a lot of chemicals on the market – people estimate between 80,000 and 100,000 – so it is like a few down, a lot to go." ChemSec, an environmental lobby group, has recently accused the EU of delaying action on "endocrine-disrupting" chemicals such as phthalates, calling on regulators to speed up work. "There are a lot of controversial products," Page concurred, citing Bisphenol A, a compound which has recently been banned in plastic baby bottles but which some scientists believe could be harmful in other guises. Some dangerous chemicals have been removed from the market, said Page, but "there is an issue of whether those [substances] can be evaluated properly," he added, pointing out that a full ban on Bisphenol A was still being discussed at EU level. Source: Euractiv.com

### Scottish government: packaging firms should pay for recycling

Packaging companies in Scotland could directly pay for the full costs associated with collecting and recycling packaging waste, according to new proposals set out in a report published by the Scottish government. The report, entitled 'Producer Responsibility: Policy Evaluation', highlights how producer responsibility regimes can also drive waste prevention and reduction. The report states that although targets exist for the recycling and recovery of packaging waste, in the UK, most of the costs associated with collecting and recycling these materials fall upon local authorities. The Scottish Environment Secretary Richard Lochhead said: "(...) manufacturers and retailers also have a responsibility to play their part in preventing waste and encouraging recycling. This report will help us decide how best to ensure responsibilities are shared fairly. "As Scotland's Zero Waste Plan is driven forward, there is scope to consider how existing producer responsibility regimes may more effectively influence and improve the management of waste and resources. The Scottish Government wants to make recycling packaging and waste electrical equipment as easy as possible for the consumer. Packaging Federation chief executive Dick Searle criticised the actions in the report and told PN that they were "nonsense". He explained that packaging companies were already taking responsibility for recycling and that the whole supply chain should be assessed, including consumer responsibility. He added that "consumers create the demand for the products in the first place". Other actions explored in the report include: Scotland-specific targets for packaging recovery calculated to drive local recycling and deposit return schemes for drinks packaging. Source: Packagingnews.co.uk

# CONTAINER GLASS INDUSTRY

## Global packaging standard to enhance food safety

The British Standards Institution, BSI, has launched a new standard to streamline food safety systems between food manufacturers and the packaging British Standards they use for their products. PAS 223-Prerequisite programmes and design requirements for food safety in the manufacture and provision of food packaging-provides a common international methodology for developing a prerequisite program for food and drink packaging safety. PAS 223 aims to bring consistency across global packaging industry practices. It could also potentially reduce tendering costs for packaging manufacturers who adhere to it and as help align packaging activities more closely with their clients' requirements. The development of this PAS was sponsored by SSAFE (Safe Supply of Affordable Food Everywhere), with a Steering Group, consisting of leading global packaging and food manufacturing companies. The broad international consensus and buy-in from packaging manufacturers includes Alpla, Amcor, Owens-Illinois, Rexam and Tetra Pak and recognised household names in food manufacturing such as the Coca-Cola Co., Danone, Nestlé, Kraft Foods and Unilever. Developed by industry for industry, the new standard will be of particular interest to food and drink packaging manufacturers across the world, as well as food certification bodies and public authorities. "By working closely with leading food, drink and packaging manufacturers, BSI has developed a set of prerequisite requirements that will help lower the risk of food safety hazards across the food supply chain," says Mike Low, director of British Standards. "We recognise the need for an 'end-to-end supply chain approach' for food safety," says Neil Marshall, director, global guality and food safety at Coca-Cola and the project lead for the PAS 223. "It is vitally important that packaging risks are managed and mitigated using the same science-based approach we use for ingredients and manufacturing processes." Against a global backdrop of recent food scares in countries such as Germany and China, many organisations are looking to ISO 22000, the global food safety management system, to manage their food risks. PAS 223 is aligned with, and supports the implementation of ISO 22000, by setting out specific requirements for the development and implementation of prerequisite programs in the manufacture of food and drink packaging. The PAS is also in line with the Global Food Safety Initiative (GFSI)'s new guidance for food packaging certification. "PAS 223 is yet another step in right direction to help the food industry implement ISO 22000," Low says.

For information on PAS 223 or food safety management, visit http://shop.bsigroup.com/pas223. Source: Packagingdigest.com

## Nampak presents "lightest wine bottle" in South Africa

Nampak has unveiled, what it claims, is the lightest wine bottle in South Africa, weighting 340g. The group's Wiegand Glass division said that the 750ml bottle has reached "a higher level in the lightweighting of packaging". Previously standard weight was 450g and the 340g bottle was manufactured through a narrow neck press and blow process. According to Nampak, this enabled the glass to be distributed more evenly during the manufacturing process. It added that annual volumes for the general trade

for the first year are "modestly estimated" at 2m units for the 340g version, saving 60tons of raw material. The first brand to use the new bottle is Douglas Green Bellingham's (DGB) high volume Culemborg range. "To illustrate its significance, consider that this brand was previously offered in the standard 450g bottle," said DGB general manager of operations Pieter Marais. "The lightweighting therefore represents a 24% weight reduction in glass and the reduction in carbon dioxide equivalent emissions on the brand alone is estimated to be over 100 tons a year."

Source: Packagingnews.co.uk

### Europe

### Ardagh quarterly profits up €4m

ArdaghGroup

Profits at Ardagh Group rose marginally in the second guarter of the year ahead of its planned flotation. In a quarterly update for investors, the group - according to the Bloomberg news service - said profits increased by just

under €4 million in the second guarter of the year to €36m - up from €32.4m for the same period last year. In its statement, the company said: "We continue to see strong inflation in many of our key raw material, especially tin plate and energy. In the second half of 2011, we do not expect to recover all of this inflation." Ardagh has grown significantly through acquisition in recent times. In January, it bought international packaging group, Impress Cooperative for €1.7 billion, in a deal described as "transformational" for the Dublinheadquartered business. That was followed up, in March, by the completion of its €125m takeover of Italian packaging business, Finanziaria di Partecipazioni Industriali (Fi.Par); a move which significantly increased Ardagh's presence in Italy and gave it a foothold in the Greek market, where Fi.Par had a notable market share. Back in May, Ardagh announced plans to float through a listing in the US, sometime in the third guarter of 2011, "subject to regulatory clearance and market conditions". It has been estimated that an IPO would value the group at somewhere between €2bn and €3bn.

Source: Irishexaminer.com

### Turkey's Sisecam increased its sales by 17% to TRY 1,304mn in 2Q11

The company increased its sales by 17% to TRY 1.304mn in 2Q11 from TRY 1,117mn in 2Q10. The company also increased its EBITDA margin to 37.0% in ŞİŞECAM 2Q11, which was 32.9% in 1Q11 and 29.9% in 2Q10. It is assumed that high profit and margins will have positive impact on the share price.

Source: Balkans.com / bne

### Sisecam: investments in Bulgarian glass plants

Sisecam intends to invest USD 60 million more in its production facility for household glass in the north-eastern city of Targovishte, Bulgaria, through its SISECAM subsidiary, Trakiya Glass Bulgaria. This new investment will expand the existing household glass production line launched in 2005, adding a second production line. Sisecam's glass factories in Targovishte are, taken together, the largest glass plant in the Balkans. According to Trakiya Glass Bulgaria HR head Krasimir Kanev, 200 new jobs will be created with the new investment.

Source: Glassonline.com

### Vandals cut power lines to Quinn Glass plant

Quinn Glass has moved to play down the impact of vandalism at its glass packaging site in Northern Ireland after power lines were cut to the plant in July. Power lines to Quinn's Derrylin facility in County Fermanagh were cut in July - the latest in 14 acts of vandalism against power lines in Fermanagh in the last four months. Irish authorities are also investigating an arson attack on Quinn Tarmac in Ballyconnell in County Cavan. The attacks are believed to be connected to discontent over the removal last April of Sean Quinn, who was once Ireland's richest man, from the head of the business he built by Anglo-Irish Bank. In a statement, Quinn Group's group director of communications Paddy McGinley said: "Since the Quinn Group changed ownership, Quinn Glass has experienced some random acts of vandalism at its site in the Derrylin area. "These acts have been condemned by community leaders and politicians on all sides. The vandalism hasn't impacted Quinn Glass' exceptional standard of customer support, and speed and quality of service delivery." McGinley added that there had been no incidents of vandalism at Quinn Glass's facility in Elton, Cheshire. "The Elton site is a bonded area and as such, is highly secured," he said. Quinn's Derrylin facility produces both coloured and flint glass and has output of up to 650m units per year, with around 350 employees. Source: Packagingnews.co.uk

### Diageo supplier innovation award for Ardagh

ArdaghGroup

Ardagh has gained an important supplier award from major drinks company Diageo for the excellence and professionalism they have shown in Diageo's Supplier Innovation Programme. This has resulted

in the identification of several key projects - one of which is already underway - which are capable of taking Diageo closer to reaching their sustainability goals. The Diageo "2010 Supplier Innovation- Highly Commended" Award was presented to the Ardagh team involved on the project by Andrew Ferguson, Diageo's Project Manager, Premium and Innovative Technologies. Ardagh was the only glass supplier to Diageo who gained an award. The 2010 Project was centered around four pillars of "sustainability": Reduce-Remove-Recycle-Reuse. Participants were asked to note the key Diageo vision "that by 2015 we will deliver premium and sustainable packaging with the smallest environmental footprint." Particular attention had to be focused on Diageo's definition of sustainable packaging; that it would have the right commercial brand cues, meets the high quality standards, is fit for purpose, is made from materials and uses energy sources that will not be limited over time and is fully recyclable or reusable. An important consideration was that premium and sustainability can be part of the same proposition and do not have to be either or considerations. Source: Packagingeurope.com

### O-I expands strategic relationship with Nestle Waters

O-I announced the acquisition of VDL Company, a single-furnace glass container plant in Vergeze, France, effective August 1, 2011. The acquisition is the result of a new strategic relationship with Nestle Waters. The Vergeze plant is located near the Nestle Waters' Perrier bottling facility and has a long-standing supply relationship with Nestle Waters. Under the terms of the acquisition agreement, O-I will become the leading supplier of glass bottles for the Perrier brand, as well as Nestle Waters' other water brands worldwide. O-I has long supplied Nestle Waters' S. Pellegrino line, and the brand's CEO is currently featured in O-I's Glass Is Life<sup>™</sup> global advertising campaign. "As a result of this deeper strategic relationship with Nestle Waters, O-I has the opportunity to support some of the preeminent brands in the water segment and reinforce glass' position in this important category," said Jose Lorente, president of O-I Europe. O-I announced the intent to acquire the Vergeze plant in November 2010, pending the completion of a restructuring plan to bring the facility's costs in line with those of other O-I Europe plants. O-I will pay approximately \$15 million related to the acquisition of the Vergeze plant, which employs 132 people. The acquisition is expected to be earnings accretive in 2012. Source: Wlbt.com

### Quality assured by Beatson Clark

Through a continued plan of investment and improvements Beatson Clark is now extending the use of Ultra Violet Inkjet Coding equipment to all production lines. Phillip Lamb, Head of Quality Beatson Clark commented: "Through our business strategy of continual improvements, this is the next phase to make certain our quality assurance is second to none. The new equipment will ensure every container has the date and time placed on it which will mean we have 100 percent traceability back to each and every container manufactured. "The key benefit of using the Markem Imaje Inkjet coder is that it uses Ultra Violet ink which is not seen by the naked eye. Therefore this coding will not

interfere with a customer's own coding and can be placed anywhere on the container from the shoulder to the foot, even where the label is to be applied." UK based Markem Imaje will have completed installation of the new equipment by the end of July 2011. This latest installation forms part of an ongoing investment programme at Beatson Clark to strengthen its position as a leading glass packaging manufacturer. The next stage of this programme includes the roll out of a two to three year phased installation of new automatic inspection equipment which has been on trial for the last six months. Source: Packagingeurope.com

### Innovation and communication key to glass resurgence says O-I

While industry experts have been predicting a further erosion of the market share of glass packaging in favour of PET and flexibles, glass is set for growth, says O-I. According to Erasmo Schutzer, company vice president and chief marketing officer, strong consumer preference for glass means that future prospects for the material are good. While a lack of innovation and communication in recent years has seen glass growth lag behind rival materials, he is convinced that when glass players ramp up innovation, focus on lightweighting and, above all, push the positives about the material in terms of sustainability, consumers and packaging suppliers will return. Source: Glassonline.com

### Nestle orders French baby food recall on glass contamination fears

Nestle France has launched an immediate investigation after recalling more than 30,000 containers of baby food over fears of glass contamination. The food giant said it had ordered the recall as a precautionary measure after a mother discovered a piece of glass in a container of its P'tit Pot brand of baby food. The

company said some 34,000 pots of the product made in the same batch were being recalled and advised consumers who had purchased the affected run not to use them. The problem is confined to France with the recall centred on banana flavoured P'tit Pot sold in lots of two 80 gram jars. No other cases of glass contamination have been reported to date, said the company. The bar codes on the recalled products are 7 613033089732, with an expiry date of October 2012. The batch number is L 10980295. Nestle said that no other products within the P'tit Pot range had so far been affected.

Source: Foodproductiondaily.com

### Risk of broken glass: Denner recalls beer

The Suisse discount retailer Denner is recalling beer packaged in bottles because they are apparently unsafe. The chain immediately pulled 10-packs of the beer from its shelves because of risk that the 33-centilitre bottles could break. Denner hadn't received any complaints about the product but it acted after the manufacturer of the beer, Ramseier Suisse, informed Denner about the risk. The affected beer is packaged under the Denner brand, produced by Vetropack and has an expiry date between August 11, 2011 and January 11, 2012. Denner said a total of 1.2 million bottles and 120 thousand packs are being recalled. The company said full refunds will be provided to customers. Source: www.24heures.ch/Worldradio.ch

### USA

### Verallia controls cost of compresseed air

🔊 verallia

Verallia has reduced energy consumption dramatically by finding and minimizing compressed air waste in its pneumatic systems. Verallia produces more than a million wine and champagne bottles every day in

its Madera, CA, plant. That task requires a huge amount of glass feedstock. It also requires a lot of compressed air. Glass making is a pneumatics-intensive business, and on a typical day Verallia's plant uses about 13,000 cubic ft/min (cfm) of compressed air. The glass-making operations consume about 10,000 cfm of the total, mostly air that blows the near-molten bottles into shape. Another 3,000 cfm drives the pneumatics for the plant's packaging lines,

which include a collection of case packers, box machines, lane dividers and unitizers. All that air does not come cheap. Gregg Rhames, Verallia's energy and asset reliability manager in Madera, estimates that the plant's air costs \$120 per cfm on an annual basis-or more than \$1.56 million/year for Verallia. Cost aside, air utilization also has sustainability implications, which is an important consideration for Verallia. As the only glass producer to have won an Energy Star award from the U.S. Environmental Protection Agency, a feat it has accomplished for three years running, Verallia has a strong track record when it comes to reducing its energy consumption and carbon footprint. Building on Verallia's support for energy-saving initiatives, Rhames last year launched the Madera plant's first systematic effort to reduce energy consumption by eliminating inefficiencies in pneumatic systems. His first step was to find worn out pneumatic components, which together were estimated to be wasting approximately 1,000 cfm on the packaging side of the plant alone. He then began to fix the worn out components, a process that's ongoing. This find-and-fix strategy may sound simple, but it required the implementation of a sophisticated air flow monitoring system to identify the leaks. It also triggered an ambitious modernization program to purge the plant of older, leak-prone rubber packed pneumatic components and replace them with updated components from Numatics Inc. Source: Packagingdigest.com

### IDEA award for O-I Vortex® bottle



It has already received accolades from marketing experts, the glass industry and beer drinkers. Now, the Vortex beer bottle from O-I ranks among well-known brands such as BMW, Herman Miller and Nike for design excellence. Vortex, internally embossed with intertwining spirals that create a helix-like, three-dimensional effect on the bottle's neck, is the first glass container in recent history to receive an IDEA (Industrial Design Excellence Award) from the Industrial Designers Society of America. Often called the "Oscars of Design," the IDEA is a juried international competition now in its 31st year of fostering business and public understanding about the importance of design excellence. IDEA award criteria include innovation; benefit to the user; responsibility, benefit to the client; visual appeal and appropriate aesthetics; Design Research Category Insights (usability, emotional factors, unmet needs, testing rigor and ability) and Design Strategy Category (internal factors and methods, strategic value and implementation.) O-I's bronze IDEA in the Packaging & Graphics category honors a product in which innovation, design expertise and collaboration with customers converge in a swirling vortex of marketing power and brand differentiation. Miller Coors brought the bottle to market in spring 2010 in a successful campaign for Miller Lite. The Vortex bottle, with its eye-catching design and instant shelf appeal, is credited with helping generate a 6 point trend improvement in Miller Lite's bottle sales. "The Vortex bottle demonstrates the value glass packaging and innovation can have on brand performance," says Sean Seitzinger, vice president, marketing, O-I North America. "By creating a new and eye-catching package O-I was able to support our customer's brand with increased shelf impact and consumer appeal."

Source: Digitaljournal.com

### South America

#### Verallia launches new eco-sustainable wine bottle

Verallia recently launched in Brazil an environmental version for 750ml verallia bottles for Bordeaux wines. Developed within an eco-friendly concept, the new glass packaging uses fewer materials and reduces the environmental impact. In addition to the lightness, the eco-bottle emits 15% less CO2 and reduces the energy costs of about 4% during the manufacturing process.

Source: Sambiental.com.br/ Translated from Portuguese

### O-I plans to produce glass containers for milk in Peru



O-I Peru apparently plans the medium term to start the production of glass milk bottles. So far the demand for glass containers has been concentrating on the soft

drinks segment and on the so-called healthy and functional categories, such as re-hydration. Another area that is growing much in demand for glass products is the export of foods. especially the packaging for asparagus, peppers, among others - products that are highly demanded for by markets such as Europe. The increased demand lead to a third production furnace at the O-I plant in Lurin, which required an investment of \$ 60 million and enabled them to increase the production capacity by 35%. Apparently O-I Peru expects to close the year with sales between \$ 115 and \$ 120 million, which would be an increase of 18% over the same period last year. It is expected that the glass container market in Peru grows about 15% until the end of 2011, reflecting the higher consumption of food and beverages. Source: Rpp.com.pe

### Asia

### Piramal glass wins 'Best HR strategy in line with biz' award

Piramal Glass Limited (PGL), part of the Ajay Piramal led Piramal Group, won the <sup>6</sup> "Award for the Best HR Strategy in Line with Business" at the 2nd Best Employer Brand Awards 2011 hosted by Employer Branding Institute-India and World HRD Congress held in Singapore. As a part of People Care, Piramal Glass undertakes an extensive Employee Engagement study every year in conjunction with a leading international consultancy Gallup. Piramal Glass has now achieved global benchmarks on employee engagement as observed by Gallup.

Source: Piramal Glass

### Australia

### Dollar rise exposes glass jaw: Australian wine bottled in Europe



JACOB'S Creek has shipped an entire batch of wine destined for its British and Irish markets to be bottled offshore rather than locally as a hedge against the rising Australian dollar, as the currency squeezes margins for Australian winemakers and threatens the profitability of the sector. Australia's largest wine brand and owned by French beverages group Pernod Ricard, Jacob's Creek sent off its flagship "Classic" label wine in massive steel containers last month for the first time, with wine historically destined for its Barossa bottling factory now to be packaged in Europe. "We are certainly not the first, and we won't be the last," said Brett McKinnon, the managing director of Orlando Wines, which looks after the Jacob's Creek brand for its French owners. "Definitely a lot of other winemakers have done it, and it's something we have looked at over the last 10 years." Mr McKinnon said calls from European customers to constrict its carbon footprint had encouraged the wine company to bottle its production run closer to market, but the recent strength of the Australian dollar had also been a major factor. Other local winemakers are following suit with Australian Vintage, owner of popular brands including McGuigan and Nepenthe, announcing last week the record high exchange rate would force it to undertake packaging and bottling in Britain to reduce production costs on exports. Recent wine sector figures show nearly 50 per cent of Australian wine exports are "bulk" shipments, with a growing proportion of that trade represented by bladders of wine shipped offshore to bypass the sting of the Australian dollar.

Source: Businessday.com.au

# FLACONNAGE

### Neal's Yard Remedies by Stölzle Flaconnage

Neal's Yard Remedies has upgraded the packaging for its range of serums, elixirs and premium treatment products with these cobalt blue bottles from Stölzle Flaconnage. The 30ml bottle has been designed in collaboration with Neal's Yard and has joined Stölzle Flaconnage's range of standard flint bottles for the perfume and personal care market. The bottle has been named 'Anna' and is being rolled out on a range

of NYR products. A spokesperson for NYR said: "The new bottle needed to be tall, elegant and simple in shape with clean lines to convey the style used across the rest of the brand, whilst also bringing the appearance up to date from its apothecary style roots. The spokesperson said that cobalt blue glass "was felt to be representative and iconic to the Neal's Yard Remedies brand." A screw neck was specified so the pack could be manufactured and assembled at NYR's factory in Dorset and to enable a variety of

standard size closure and dispensing options for possible future product uses such as fragrance. Source: Packagingnews.co.uk

# New furnace will mean an extra 50m units of flacons

GERRESHEIMER The Gerresheimer plant in Tettau (Germany) manufactures perfume flacons, crème pots, make-up bottles and other products for the cosmetics industry. The recently modernized glass melting furnace has a melting capacity of around 90 tons per day and a 55 square meter melting zone. This, plus an additional production line, has increased the plant's production capacity by around 50 million units to 650 units per year. It took 150 specialist personnel 46 days to build the new furnace. The investment has created around 30 new jobs. "Our customers not only expect us to produce glass in first-rate quality, but also to be highly innovative and deliver excellent results. The new oxygen melting furnace is a milestone for us. Not only does it enable us to increase our production capacity. but also to set new standards of quality, productivity and environmental friendliness," said Bernd Hoerauf, CEO of Gerresheimer Tettau GmbH. The new glass melting tank is an oxygen furnace that operates with gas, electricity and oxygen. The new oxygen furnace satisfies all statutory requirements of exhaust gases and air purity, and it has a completely sealed melting basin to improve energy efficiency. In the process of capacity extension, the plant's own oxygen apparatus was correspondingly extended and adapted. Source: Ceepackaging.com

# Christina Aguilera's perfume in Gerresheimer glass flacon wins DUFTSTARS award

The German Fragrance Award is the highest accolade that can be paid to the WHERE WE German fragrance industry. The DUFTSTARS awards have been presented annually in Germany since 1993. In the Lifestyle Ladies category, the winner was Christina Aguilera's ROYAL DESIRE. "We're delighted to be sharing the Lifestyle Ladies award with our customer, Procter & Gamble. Royal Desire's glass flacon was manufactured by Gerresheimer," said Bernd Stauch, Sales Director Moulded Glass. This latest fragrance by music superstar Christina Aguilera is dedicated to women with grand aspirations who enjoy the luxuries of life. The flacon has an enchantingly feminine design and features a silver colored charm.

Source: Specialchem4cosmetics.com

# STO Flaconnage behind bottles for Full Moon perfumes

STO Flaconnage has produced new glass containers for Oriflame's fragrance brands Full Moon. The two products, Full Moon For Her and Full Moon For Him, are 30ml custom designed bottles with a flat shoulder circling the neck. In addition, the design for Full Moon For Her has greater width. According to STO Flaconnage, the oval curves give "an impression of feminity". Full Moon For Him is taller and "more dominant". Both designs include surlyn caps supplied by Aarts Plastics in different colours: "deep mauve" for the female fragrance and "midnight blue" for the male product. Source: Packagingnews.co.uk

# Gerresheimer Q2 results, plans for expansion into US market

GERRESHEIMER Gerresheimer saw strong demand for plastic systems and moulded glassware in the second quarter fiscal 2011, while tubular glass revenue dipped slightly. The German packaging firm posted revenue of €284.5m (\$397m) for the three months ended May 31, up 5.9 per cent on the year earlier quarter, and net income of €13.3m, up nearly 19 per cent. Spokesman Jens Kuerten said the gains were driven by

strong demand for both moulded glassware and plastic products, with insulin pens and diagnostic systems being top performers. "In addition our latest acquisition Vedat, a pharmaceutical plastic packaging company in Brazil, supports our growth in plastic systems," he added. Overall for the guarter moulded glass contributed €85.2m, up 4.7 per cent, and plastic systems brought in €98m, up 20 per cent. This contrasts with Gerresheimer's tubular glass unit, which saw sale fall 5 per cent to €81.8m. However, this decline was expected and due to infrastructure and maintenance work conducted in the period as Kuerten explained. Gerresheimer has also revealed plans for acquisitions in the US to enter the North American plastic drug packaging sector, as well as emerging markets. Chief financial officer Hans-Juergen Wiecha said the company plans to extend its market position as a successful partner to the pharma industry in both the western world and in emerging markets such as China, Brazil and India. The company already has a presence in the US pharma glass primary packaging market but is planning to expand its focus on the plastic systems business for the pharma and healthcare customers in North America. Wiecha said: "There are very few companies in the USA that are genuinely focused on plastic packaging products for the pharma industry. Most of them are a technology provider, which means they have good plastics technology that they take into various end markets such as the pharmaceutical, automotive or consumer goods sectors. "We're also interested in companies like these as long as their pharma business accounts for more than 50% of their total business. The specialty glass maker is looking for acquisitions in the \$100m (€69m) to \$250m (€175m) price range.

Source: In-pharmatechnologist.com/ Packagingnews.co.uk

# TABLEWARE

### Bormioli Rocco: the excellence of UNA, the bottle celebrating Italy's 150 birthday



Bormioli Rocco has been chosen by VeronaFiere to make UNA, a wine bottle celebrating the 150th anniversary of the unification of Italy. The project, based on an idea by Veronafiere President Ettore Riello, was enthusiastically received by President of Republic of Italy Giorgio Napolitano and included in the list of the most important events celebrating the 150th anniversary of the unification of Italy. The

bottles are unique, designed for the occasion by world-renowned architect and designer Aldo Cibic and produced by Bormioli Rocco's Packaging Food & Beverage Division. The "Vino rosso d'Italia" bottle is a new interpretation of the flask and the Bordeaux bottle, the glass bottle closely associated with Italy's historic roots and the shape that has come to be the classic container for Italian red wines. The slender bottle containing "Vino bianco d'Italia" is an evolution of the Burgundy bottle, the classic bottle form used for Italy's white wines. Bormioli Rocco makes both bottles out of a glass that has a special colour -designed to protect its precious content from light. "Bormioli Rocco is a historic brand, representing the excellence of Italian-made glass all over the world. A company with strong roots in the country, which has been Italian since 1825 - for more than 150 years. We are truly proud to be part of this important project celebrating the unification of Italy and further testifying to Bormioli Rocco's ties and its great expertise in the field of professional products for wine," concludes Bormioli Rocco CEO Francesco De Bartolomeis. Source: Bormioli Rocco Press Release

### Libbey Inc. announces second quarter results

**Libbey.** Libbey Inc. announced that sales for the second quarter of 2011 were \$214.0 million, compared to \$203.0 million in the second quarter of 2010, an improvement of 5.4 percent. Libbey reported net income of \$15.4 million, or \$0.74 per diluted share, for the second quarter ended June 30, 2011, compared to net income of \$9.6 million, or \$0.47 per diluted share, in the prior-year quarter. For the quarter-ended June 30, 2011, net sales increased 5.4 percent to \$214.0 million, compared to \$203.0 million in the year-ago quarter. Sales in the Glass Operations segment were \$194.5 million, an increase of 7.6 percent, compared to \$180.8 million in the second quarter of 2010. Primary contributors to

the increased sales were a 58.5 percent increase in sales within the China sales region, a 28.6 percent increase in sales within our European sales region, and a 10.6 percent increase in sales within the International sales region compared to the prior-year quarter. Sales to U.S. and Canadian foodservice glassware customers increased 1.3 percent, as shipments to foodservice customers were strong in May and June following a weak April. Source: Pr-canada.net

# **COMPETING MATERIALS**

## Cans

## European beverage cans drive profits for Rexam

Rexam's half-year results show profit before tax up by 19 per cent on 2010. The growth was driven largely by the packaging company's beverage can business in Europe, which saw operating profits rise by 12 per cent. "Total sales were flat at £2,496m but total underlying operating profit [after tax] rose 5 per cent to £280m, mainly owing to improved volumes in standard cans in Europe and in specialty cans in all our regions, supported by our continued focus on cost reduction and efficiencies," reported the company. Input cost inflation remains a big challenge in the packaging industry and Rexam has been wrestling with the impact of the rising cost of aluminium. Aluminium prices hit a low of US\$1,340 per tonne in February 2009 and have doubled since then to peak at around US\$2,670 in April 2011, before dropping back slightly to around US\$2,560 in June. Rexam said it has been tackling the issue head on, with both commercial and technical solutions. It has been increasing the use of "pass-through" contracts, for example. These protect the packaging company's margins by passing any cost increases on to customers. Technical solutions such as "downgauging" or "lightweighting" its cans have also yielded efficiency savings. The news was less positive in the company's plastic packaging operations. Excluding its closures division, which Rexam is in the process of selling to Berry Plastics, organic sales were down 1 per cent, while resin costs rose by 10 per cent: "As around one third of our contracts are on a non-pass-through basis, this equated to a non-recoverable cost of £3m in the first half. Underlying operating profit was £58m, 2 per cent down on an organic basis on the equivalent period last year." Source: Foodproductiondaily.com

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## Red Bull becomes first brand to back 'Every Can Counts'

Red Bull has become the first drinks brand to put money into the metals recycling scheme 'Every Can Counts'. The scheme, which encourages the collection of cans in offices and public spaces, has previously been backed entirely by the metal packaging and reprocessing industry through Alupro, the aluminium packaging recycling body. Alupro executive director Rick Hindley said: "To say that we are excited about the prospect of working with Red Bull is an understatement. Red Bull UK managing director Nigel Trood said: "Joining Every Can Counts gives us the opportunity to directly support and encourage drinks can recycling among our consumers and a wider audience. Under the agreement, Red Bull will not only be a funding partner for 'Every Can Counts' but will also work to encourage its own consumers to recycle drinks cans. Source: Packagingnews.co.uk

## Aluminium bottle switch at heart of £7m Carling relaunch



Molson Coors is apparently to drop glass bottles for aluminium bottles for three of its biggest beer brands in a bold move to reinvigorate the beer category. The brewer has put the packaging format switch at the heart of a £7.3m rebrand of Carling but is also moving Coors Light and Caffrey's into the aluminium bottles. Another key element of the Carling rebrand is the launch of Carling Chrome, a premium beer that will be sold in a glass bottle. A statement from the company described the aluminium bottle format as "engaging, new and differentiated". It said that the bottle would create "a smooth drinking experience, cold sensation, a stylish look and environmental

benefits". The relaunch and the new bottle formats will be supported by a TV advertising campaign that is due to hit screens in September. Source: Packagingnews.co.uk

### **Plastics & Bioplastics**

### UK Plastics industry: turnover high, but profits flat

More than 60% of UK plastic companies predict an increase in turnover in the next 12 months but expect high costs and raw material availability to stifle growth, according to a new British Plastics Federation's (BPF) survey. The Business Conditions Survey was conducted in June with responses from 100 member firms, representing an estimated 25% of the UK's turnover and 43,000 employees. According to the BPF, the results of the survey "indicate a continuing healthy outlook for industry with a positive 66% of respondents predicting an increase in sales turnover in the next 12 months up from the January 2011 Business Conditions survey where 64% forecast an increase in turnover". BPF director general Peter Davis said: "With two thirds of plastics companies predicting an increase in UK turnover that's good news for UK manufacturing generally. "We are a key strategic industry supplying into all parts of the economy. However, the building and construction sector remains flat and raw material and energy costs increases means turnover doesn't reflect volume sales." Another growth indicator is the expansion of the workforce highlighted by several member firms. A total of 34% of respondents signaled a commitment to increase staff in the next 12 months - an increase over January's figure of 23% – with 13% of firms intending to increase their full time staff by 6 to10 %. Source: Packagingnews.co.uk

### Carlsberg targets impulse sales with new PET bottle in UK

Carlsberg Export is to be repackaged in 500ml PET bottles in an exclusive launch for Sainsbury's Local stores. The new format is designed to boost impulse sales of the premium lager. The bottle is embossed with the Carlsberg logo and incorporates the "classic crown cap". "The combination of a premium chilled lager with the convenience of a PET bottle creates a real opportunity to build sales with this new format for Carlsberg export," said Carlsberg UK head of customer marketing David Scott. He added: "There is a huge untapped potential in chilled beer. Consumer research we undertook last year showed that an in-store chiller is likely to attract four times the footfall of an ambient fixture in a convenience store or supermarket." The new bottles will initially be sold in 334 Sainsbury's Local stores.

Source: Packagingnews.co.uk

#### European groups to work on composites recycling

Three European industry bodies have signed a memorandum of understanding to improve the recycling of composite materials. The European Composites Industry Association (EuCIA), the European Plastics Converters (EuPC) and the European Composite Recycling Services Company (ECRC) will cooperate on recycling and sustainability issues, and set up a new sector group. The group – the EuCIA Recycling & Sustainability Platform of the Composites industry – will operate under the EuCIA umbrella. ECRC chairman Fond Harbers said:" The cooperation agreement supports the European composites industry on recycling by having one voice. It brings together industry players in the composites value chain under a common platform to define and decide on common strategies for the industry while highlighting our commitment to sustainability of this sector". Source: Packagingnews.co.uk

### European PET collection rates rise but challenges remain



The collection of PET bottles in Europe last year rose by more than six per cent to reach almost 1.5m tonnes, according a report commissioned by two industry bodies. European PET container body Petcore and plastics recycling

association EuPR said European post-sorting PET collection climbed to 1.45m tonnes in

2010, an increase of 6.5 per cent compared to 2009. They estimated that the total mechanical reclamation capacity in the European region is 1.7m tonnes. Casper van den Dungen, EuPR PET working group chair, said: "Capacity utilisation of our recycle plants is only 79 per cent at present. This provides the challenge for municipalities, other collectors and industry to increase the current collection rate beyond 50 per cent to load the recycling facilities already in place". However, the overall collection rate for 2010 of 48.3 per cent showed no increase on the previous year. Some EU countries are recording collection rates in excess of 70 per cent, said the industry study. All but two of the surveyed countries had collection rate above the 22.5 per cent target for plastic recovery set by the Packaging Waste Directive – with the maturity of infrastructure systems a major factor. Blowmoulding outlets showed growth – with some 25 per cent of their rPET output (almost 250,000 tonnes) used to produce containers. There was a 25,000 tonne decrease in RPET used in the amorphous PET (APET) sheet market. The study, carried out by PCI PET Packaging, Resin and Recycling Ltd, concluded this drop was due in part to higher volumes of sheet imports into the economic bloc. Another major factor was price - with "the price of suitable quality RPET almost matching that of virgin PET for most of the year", said the trade bodies in a joint statement. Exports of collected PET to the Far East fell for a second year to 13 per cent and imports of baled PET bottles from outside the region were also down. Source: Foodproductiondauily.com

### North American plastics industry forms new alliance

The growing amount of scrutiny facing plastics has led to the three major trade associations for the industry in North America to put together an alliance to coordinate their efforts. The new 'North American Plastics Alliance' brings together the Society of the Plastics Industry Inc., the plastics division of the American Chemistry Council and the Canadian Plastics Industry Association in a virtual alliance that will initially focus on four key areas: pellet containment, advocacy, energy recovery and initiatives aimed at getting key stakeholders to look more favorably on plastics. The industry has been hard hit lately in the public eye, as legislators, consumers and non-government organizations have questioned the value of plastics in single-use products that contribute to litter and marine debris.

Source: GPI.org/ PlasticNews

### Pepsi Beverages Canada unveils EcoGreen bottle

PepsiCo Beverages Canada has announced the introduction of the 7UP EcoGreen bottle and claims that it is Canada's and North America's first soft drink bottle made from 100% recycled PET plastic. The bottle will be produced in multiple PepsiCo manufacturing facilities across Canada. PepsiCo Beverages Canada president Richard Glover said: "After three years of research and development, we have cracked the code to commercially develop a soft drink bottle made from 100% recycled PET plastic, and Canada has proudly led the way."Consumers want products and packaging that reflects their desire to protect the environment, and PepsiCo is committed to delivering on that with this kind of world-class innovation."PepsiCo said that its new bottle will reduce the amount of virgin plastic used by approximately six million pounds over the course of one year." Source: Packagingnews.co.uk

## Coca Cola's PlantBottle at London 2012

Spectators visiting the London 2012 Olympics will hold a Coca Cola plant-bottle in their hands. Coca Cola is one of the main global sponsors of London 2012. The apparently 100% recyclable PlantBottle contains both recycled plastic and plastic partially derived from plant matter. The PlantBottle is currently made by converting sugar cane into monoethylene glycol (MEG), which represents 30% of the total composition of the PET plastic by weight. According to Coca Cola, the PlantBottle is environmentally efficient. It said that the PlantBottle with 30% plant-based material reduces carbon emissions by up to 25%, compared with petroleum-based PET. Source: Packagingnews.co.uk

FEVE News September 2011

### La Seda de Barcelona results improve in 2011



La Seda de Barcelona, the Spanish PET resin and packaging group, has benefited from operational improvements which it started last year as part of a five-year restructuring plan. The company reported turnover of €577m and operating profit (EBIT) of €5m in the half-year to 30 June. In the first half of

2010, LSB made an operating loss of €4m. It said it has also reduced its net consolidated losses before taxes by 88% from €33m in the first half of 2010 to €4m in the first half this year. The PET resin division of LSB increased turnover by 28% to €275.6m during the first six months of this year. "The increase in the division's EBITDA, to €12.8m, shows proof of a notable improvement in the management of margins and fixed costs of this division," said LSB. It added the operations of the resin division during the first half of the year were affected by difficulties in the supply of PTA feedstock and by the increase in PET prices. The packaging division of LSB increased turnover by 18%, generating EBITDA of €24.8m. This was despite the fast growth in PET prices which had a negative effect on the demand for PET packaging, it said. Chairman of LSB, Carlos Moreira da Silva, said: "During the second half of the year, the company will continue to give priority to business development based on the results of R&D in packaging and recycled PET."

Source: Europeanplasticsnews.com

### Cartonage

### SIG Combibloc plans to grow UK liquid food arm

SIG Combiblec plans to double the liquid food side of its UK business over the next three years. This latest news comes as the firm officially opened its new offices on 15 August in Rainton Bridge Business Park, County Durham. It has moved from Hougton-le-Spring, County Durham. Managing director Malcolm Allum outlined the firm's UK growth plans for the liquid food market at the opening ceremony. He said that the bulk of SIG's UK business comes from the juice and milk markets. However, the company has moved into areas such as beans, pulses, soups and tomato sauces across Europe in the last four years and according to the firm continues to gain market share in these sectors. Existing UK products already packaged in carton packs from SIG Combibloc include Asda baked beans, Sainsbury's chopped tomatoes and Ambrosia Custard. Source: Packagingnews.co.uk

### Tetra Pak predicts Asia will lead decade of high global dairy growth

China and India are expected to lead a 30 per cent increase in global liquid dairy consumption over the current decade, according to new research from Tetra Pak. A growing population, rising prosperity and urbanisation are all expected to conspire to bring about a boom in global dairy sales. While consumption is expected to fall in Western Europe, which has the highest per capita milk sales in the world today, in other regions a big increase in sales is expected. Global demand for milk and other liquid dairy products like infant milk and drinking yoghurt stood at 270 billion litres in 2010. That figure is expected to increase to some 350 billion litres by 2020. Moreover, Tetra Pak expects a significant shift towards packaged milk over the coming years. CEO Dennis Jönsson said in a conference call that 2014 is predicted to be the "tipping point" when packaged milk in developing countries outsells loose milk. Just over half the milk drunk in developing countries was bought loose last year. But by 2014 the proportion sold in packages is expected to rise to 55 per cent and then climb to 70 per cent by 2020.

Source: Foodanddrinkeurope.com

### SIG eyes Latin growth as first factory in Brazil opens

SIG Combibloc has kicked off production at its first facility in Brazil and revealed plans to expand its capacity in the country to 2bn packs per year. The construction of the plant, which took a year, is part of the Rank Group-owned business's globalisation plans as it looks to cash in on growing markets in the BRIC economies. The €90m facility, in the southern state of Parana which borders Paraguay, will initially produce around 1bn packs per year. SIG Combibloc Group chief executive Rolf Stangl said: "Thanks to significant growth, in a further stage of expansion, within two years we will be doubling the capacity to two billion carton packs." In 2010, Brazil's consumption of products in aseptic cartons was around 8bn litres, around three quarters of the total volume in South America. As one of the world's booming economies, with 7.3% GDP growth in 2010, Brazil has been the target for much investment in its packaging infrastructure in recent times. Companies such as MeadwestVaco, Rexam and O-I have all recently announced investments in the country. Source: Packagingnews.co.uk

### Tetra Pak says it will step up efforts to reduce environmental impact

Tetra Pak has published its biennial sustainability update, Mission Possible in which its CEO Dennis Jönsson said "we will step up our efforts to reduce our environmental footprint along the value chain and to meet rising demand for safe and nutritious food." The report details what Tetra Pak is doing to reduce its impact on the environment. "We have been doing this since 1952, but we know we need to do more," said Jönsson, noting that "the world is changing faster than ever, and companies that want to compete and thrive must adapt to some of the key drivers shaping our industry, driving innovation and a step-change in sustainability." These drivers are population growth; an increase in the number of +60 year-olds; the economic rise of the BRIC countries and other emerging countries; an expanding middle class; a resource crunch – water, forests, energy; globalisation; urbanisation; technological change and stricter environmental legislation and taxes. Tetra Pak's 2020 strategy, introduced earlier this year, puts the company's environmental ambitions at the heart of its business. Said Jönsson: "It is a strategy focused on continuity – doing what we do well and building on our achievements. But it's also about transformation. We recognise the need to accelerate innovation, to enhance our operational performance, achieve environmental excellence, develop our people and build our reputation."

Source: Ceepackaging.com

# **CONTAINER GLASS ACCESSORIES & SUPPLIERS**

## RPC sells closures business in €3m deal



Plastics group RPC has sold its Bramlage Verschlüsse wines and spirits closures business in a deal valuing the business at  $\in 2.9m$  (£2.5m). The business, which employs just 17 staff at its Lohne site in northern Germany, has been bought by Rauh, a German manufacturer of closures for the drinks

market. RPC Bramlage Verschlüsse, which has turnover of €7m, makes natural and synthetic corks as well as aluminium and special closures. It has been working with Rauh since 2006, with Rauh supplying roll-on aluminium closures to RPC Bramlage Verschlüsse. RPC Group chief executive Ron Marsh said that the sale provided the best opportunity for the continued growth of the Bramlage Verschlüsse business. "Colleagues at RPC Bramlage Verschlüsse have been working very closely with their counterparts at Rauh for the last five years." "As wines and spirits are not a core sector for the RPC Group, this is a natural progression of the existing partnership, creating one of the most important players in the German market and allowing the company to integrate further into the industry."

## Xparvision: GOB assist opens door to (ultra) light weight



Loading of the gob into the blank mould is an important sub process in the production of glass containers. Many forming specialists will agree that 70-90% of the critical defects are due to a bad gob loading. Bad gob loading is also a main cause for section stops. Gob Assist monitors the speed, length, position, shape,

orientation, time of arrival and trajectory of the gobs falling into the blank moulds, without coming in contact with them. With this information it is possible to easily find and maintain the optimal gob loading and to retrieve optimal gob loading after equipment or job change. The

advantages which in the meantime have been confirmed by customer trials are numerous: decrease of downtime; increase of efficiency & productivity; improved quality of output. and an increase of job change performance.

Source: Xparvision.com

### SAB Miller aims to reduce steel in bottle caps

SAB Miller hopes a new design for its bottle caps will lead to a 10% cut in the metal it uses. The brewer said the low-gauge caps, trialled successfully by its Peruvian arm Backus, could cut raw material costs by \$12.6m (£7.8m) per annum. It uses 42 billion steel caps a year on its bottled lagers and soft drinks, nearly twice the weight of the steel used in the Empire State Building, according to the firm. The new low-gauge crown could reduce the amount of steel required across SAB Miller's global production platform by at least 10% a year, enough to build London another Olympic stadium, according to the company. The standard thickness of steel used to create bottle crowns across the brewing industry is between 0.22mm and 0.24mm. Backus' new, low-gauge crown uses 0.17mm steel. According to SAB Miller, this is "possible thanks to a unique design which embosses a ring around the bottle lip to prevent a 'spring back' effect that can lead to leakage and contamination". SAB Miller said that a standard bottle crown weights approximately 2.38g. The low-gauge bottle crown will weigh around 2.14g, which will mean a 360g weight reduction in every pallet being transported to the group's breweries and from the brewery to retailers and distributors. SAB Miller is reportedly one of the world's largest brewers. The group's wide portfolio includes global brands such as Pilsner Urguell, Peroni, Miller and Grolsch.

Source: Packagingnews.co.uk

# RETAILERS

### Tesco's wine aisle gets a makeover

Tesco is revamping the look of its wine aisles based on the results of extensive TESCO consumer research. The research identified consumers as two main types - the "engage me" customer, who has an interest in wine and enjoys browsing, and the

"tell me" customer, who, intimidated by the so-called "wall of wine", is looking for guidance. The new look was rolled out mid-August.

Source: Thedrinksbuiness.com

### Alcohol sales hit travel retail high



Wine and spirits sales in the travel retail sector have hit their highest levels since 1999, according to a new report. The IWSR Duty Free/Travel Retail Summary Report 2011 says sales reached 25.4m cases in 2010, the highest level since intra-EU duty free sales were abolished 12 years ago. Global volumes rose by 10.4% in 2010, it adds. Spirits volumes grew by 13.5%, while wine sales increased by 3.7%. The Americas, Africa, the Middle East and Asia-Pacific all recorded double-digit rises in travel retail wines and spirits sales, although growth in the more mature European market was slower at 5.9%. The fastest-growing categories US whiskey, Cognac and tequila, all of which saw volumes increase by more than 20%. The top 20 suppliers continued to increase their share of global volumes and now account for 71.5% of the market, compared with 69.7% in 2009. Diageo accounts for 17.7% of wines and spirits sales, compared with 16.9% for second-placed Pernod Ricard. The IWSR Duty Free/Travel Retail Summary Report 2011 says sales reached 25.4m cases in 2010, the highest level since intra-EU duty free sales were abolished 12 years ago. Global volumes rose by 10.4% in 2010, it adds. Spirits volumes grew by 13.5%, while wine sales increased by 3.7%. The Americas, Africa, the Middle East and Asia-Pacific all recorded double-digit rises in travel retail wines and spirits sales, although growth in the more mature European market was slower at 5.9%. Source: Harpers.co.uk

# **CUSTOMER INDUSTRIES**

### Soft drinks

### Global soft drinks consumption overall increases in 2010

The global consumption of soft drinks in 2010 was more than 550 billion I, with a global per head consumption of around 80 l. After the rather lean year of 2009, sales of soft drinks increased by just under 4 %. The driving force behind the rising consumption of soft drinks remains Asia with a quarter of world consumption. India excelled in 2010 with growth rates of 16 %, China with 14 %. North America accounts for one-fifth of worldwide sales - with slightly declining consumption in 2010. Also growing extremely strongly, but from a low level is the African market and the Middle East with under 10 % of world consumption. Whereas 35 l/head of soft drinks are currently bought in Asia, the figure in Africa and the Middle East is still 10 I less. People in Latin America also enjoyed soft drinks in 2010. The overall 5 % growth there is driven by the Brazilian market, which accounts for 30 % of the Latin American soft drinks bought and achieved 7 % growth in 2010. The East European market has recovered distinctly, especially in Russia. Sales in the West European market for soft drinks dropped by less than 1 %, but from the very high level of 18 % of worldwide sales. From an overall viewpoint, especially the BRIC countries are the soft drink markets of the future. Whereas they accounted for just 12 % of global sales of soft drinks at the turn of the millennium, their share had already risen to more than 20 % by 2010. Another rise to up to 25 % is forecast by 2015 (Canadean). If global sales of soft drinks are examined by drink categories, fruit juices and fruit juice drinks, and sport drinks and carbonated drinks achieved slight growth in 2010, and bottled water a more appreciable rise of approx. 4 %, which means bottled water accounts for 30 % of the worldwide consumption of soft drinks.

Source: Ceepackaging.com

## **Spirits**

### Diageo wins approval for marathon Chinese spirits deal

DIAGEO DIAGEO DIAGEO Diageo has gained approval from the Chinese authorities to take control of a local spirits manufacturer after some 16 months of waiting. The deal increases the Diageo stake in Quanxing 4 percentage points to 53 per cent at a cost of £13m (€14.5m) tipping control into the hands of the British spirits giant. By increasing its ownership of Quanxing, Diageo establishes indirect control of ShuiJingFang – a major producer of the Chinese spirit Baijiu. Under the complex financial deal, the next step is a mandatory takeover bid for the remaining shares in ShuiJingFang. A full bid would be worth about £609m (€681m). ShuiJingFang is a prominent maker of Baijiu – a 'white' spirit with a 30 per cent share of the Chinese spirit market. Diageo sees the investment as an opportunity to open up a major growth market. Paul Walsh, CEO of Diageo, described it as a "unique opportunity to participate at scale in super premium Chinese white spirits, one of the largest, fastest growing spirits segments in the world." Source: Foodanddrinkeurope.com

### Fake vodka that can cause blindness is seized in UK

 Fake vodka that could cause blindness has been seized by trading standards officers in Bedworth, UK. Consumers are now being urged to check their bottles to see if they

- have bought the counterfeit liquid that contains high levels of methanol. Trading
- standards officers received a complaint from a Bedworth consumer who was

concerned about a bottle of Glen's vodka she had purchased. Only half the bottle had been drunk and officers were able to send a sample off to be tested. Tests revealed that the vodka was counterfeit and contained high levels of methanol. The levels present in the product are not thought to be high enough to lead to a risk of death. However consumption of

high levels of methanol can be toxic to the nervous system, particularly affecting the eyesight and, if enough is consumed, can result in permanent blindness. The fake vodka is labeled as the Glen's Vodka brand. Genuine Glen's Vodka can be easily identified. It will only be bottled in a bottle supplied by Allied Glass Containers which will have a small AGC logo on the base of the bottle.

Source: Iccoventry.icnetwork.co.uk

### Allied creates high gloss bottle for Bulldog Gin



Allied Glass Containers has manufactured a high gloss charcoal bottle for Bull London Dry Gin. The premium brand's packaging is manufactured at Allied's Knottingley site, which specialises in producing coloured bottles using a forehearth feeder colouring facility. "Bulldog is a fresh take on gin, combining the

best of the new and traditional," said Bulldog Gin chief executive Anshuman Vohra. "The glass reflects the premium position of the gin and also gives the bottle the distinctive and highly contemporary feel we wanted." Allied Glass sales and marketing director Philip Morris added: "We have perfected the application of forehearth colouring technology, offering our customers the ability to manufacture almost any colour of container with an endless palette of colours and the flexibility to produce minimal run lengths." Source: Packagingnews.co.uk

### Sparkling Wine

### Champagne increases yields by 20% to cope with demand

The Champenois have upped the permitted yield of grapes for the upcoming harvest to cope with growing demand for Champagne. The harvest limit has been set at 12,500 kilogrammes per hectare (kg/ha) by the region's trade body, the Comité Interprofessionnel du Vin de Champagne (CIVC), compared to 10,500 kg/ha in 2010 and 9,700kg/ha in 2009. Thibaut le Mailloux, communications director for the CIVC said that the increased yield was based on 'reasonably optimistic' forecasts that Champagne sales would grow by 2% annually over the coming three years. Source: Winebiz.com.au

### Rémy Cointreau: sale agreement between Piper-Heidsieck-Compagnie Champenoise and the EPI Group

The Rémy Cointreau and EPI Groups announced the execution of the sale of all 14 the shares in Piper-Heidsieck-Compagnie Champenoise to the EPI Group, RÉMY COINTREAU enabling them to assume control over the Champagne business in Reims, France, including the Piper-Heidsieck and Charles Heidsieck brands and Piper Sonoma, the sparkling wine brand in the US. The signing of the sale agreement was announced in a joint press release on 31 May 2011.

Source: Reuters.com

### Wine

#### China flooded with counterfeit fine wine



China is battling a flood of counterfeit vintage wine amid a growing interest in bottles from famed wineries, which are seen as a sign of high social standing. According to an article published by AFP, counterfeiters have jumped into this lucrative market and Bordeaux has become one of the main victims of China's

newfound interest in wine. "Fakes are everywhere – from bottom- to top-of-the-range," Romain Vandevoorde, head of wine importer Le Baron, told the French news agency. "There is more Lafite '82 in China than was produced in France. Supermarkets – where the majority of Chinese buy their wine due to a lack of specialist merchants – are full of fakes. Prices vary drastically, from as little as 90 yuan to as much as 35,000 yuan for an exceptional vintage. At wine fairs in China, merchants can be found openly exhibiting counterfeit wine, some of which are very poor imitations. "At a recent trade fair in China, I saw merchants openly

selling fake Lafite – as you would Louis Vuitton handbags in a market – in a small room next to the main tasting room," Simon Staples, buying director at Berry Bros & Rudd, said. Counterfeits include bottles of Bordeaux that have been diluted with sugared water and had colouring agents and artificial flavourings added, before being sold for high prices. Vintage wines sold for uncharacteristically low prices with brand new labels are a warning sign, as are bottles wrongly spelt "Laffite" or "Lafitte". Empty bottles can be bought online in China, sparking a trend for upmarket fakes housed in reused "grand cru" bottles filled with lower quality vintage Bordeaux.

Source: Drinksbuisness.com

### French harvest bigger than 2010

The French grape harvest is predicted to exceed 47 million hectolitres (hl) this year – an increase of 6 per cent compared to 2010. According to figures published by the French ministry of agriculture and fishing, the nation's vineyards will bear 47.9m hl of fruit, an increase on last year's small crop. The estimate includes 23m hl of geographically-delimited appellation wines (AOP), and 13.6m hl of wines classified as IGP, the category of wines formerly known as vin de pays, reports say. Source: Winebiz.com.au

## French and Spanish toast big wine export growth

A thirst for wine in emerging markets has helped give French and Spanish wine exports a 20 per cent boost in the first three months of 2011. In its quarterly report on the wine market, Rabobank said global wine exports are generally picking up at a "brisk pace" compared to the start of last year. France and Spain led the pack with value increases of 20.7 per cent and other major exporters, including Italy, Chile and Argentina also enjoyed double digit growth. Rabobank said these countries have achieved such strong figures by looking beyond the biggest import markets. "For many exporters, growth is coming not from the major markets such as the UK and the US but rather from secondary markets such as Canada; emerging markets such as China, Brazil and South Korea; or from regional markets such as Mexico in the case of Argentina, or Kenya and Nigeria for South Africa," stated the report. Despite the positive global picture, there were some notable exceptions. South Africa, Australia and New Zealand all experienced substantial declines in export volumes in the first quarter. The strength of their domestic currencies played a big role in depressing the export numbers.

Source: Foodanddrinkeurope.com

## India joins OIV as 45th Member State

οιν The Republic of India is now a fully-fledged member of the inter-governmental vine and wine organisation OIV. It becomes the organisation's 45th member country. Indian authorities, together with grape growers and winemakers, decided six months ago it was time to make their voice heard in the global wine sector and applied for OIV membership. The speed of the process is attributed to two major factors. Firstly, the commitment and determination of India's ambassador to France, Ranjan Mathai, who becomes India's Foreign Secretary on 1st August and is said to have worked "tirelessly to promote an agreement on both sides". "One of the most significant features of the whole process is that OIV Member Countries voted unanimously "yes" to India's candidature, thanks to the hard work developed by key authorities such as Mr. Mathai", stated Federico Castellucci, OIV director general. The other key factor was the spectacular development of the Indian vineyard and its potential as a wine grower and consumer country. India's area under vine grew by 66 percent between 1998 and 2008, reaching a total area of 71,400 hectares. This, and the fact that India is world's second most populated country, swayed delegate opinion in favour of the country. Currently, a large proportion of India's vineyard is dedicated to growing dessert grapes with production reaching 15,940 quintals in 2008. India's unusual climate, which is both wet and warm all year long, allows Indian grape growers to harvest grapes twice a year in some areas. Source: Journee-vinicole.com

### **Beer & Cider**

#### ABInBev aims to grow organically rather than through acquisitions



AB InBev aims to consolidate its business and grow organically rather than by further major acquisitions. Carlos Brito, head of the world's largest brewer told

the press that the company had made five acquisitions, one every two to three years, in the past 12 years and he believes that the company now has reached the right scale and is present in the right markets. "We do not have to do more", he was quoted as saying. This puts an end to speculations about possible take-over scenarios concerning Australian brewer Fosters and Brazilian brewer Schincariol. Mexican brewer Modelo was said to meet earlier with Anheuser-Busch InBev, to seek permission to launch a takeover bid for Foster's. The Mexican brewer would only be able to bid for Foster's assets with AB InBev's accordance, because the Belgium-based brewing giant has a 50% non-controlling stake in Modelo as well as nine of its 19 board seats. But as an analyst said, it is "highly unlikely that AB InBev will give its consent, because an acquisition of Foster's by Modelo could weaken the voting rights of the AB InBev representatives on Modelo's board of directors." Nevertheless Brito did not rule out any deals at all. He said that while most of his management team were focusing on organic growth, still a few kept an eye on the market for potential deals.

Source: Globalmalt.com

#### Beer sales in Germany up 1.0% in the first half of 2011

As reported by the Federal Statistical Office (Destatis), the beer producing and storing establishments in Germany sold 49.5 million hectolitres of beer in the first half of 2011. That was an increase of 0.5 million hectolitres or 1.0% from the corresponding period of the previous year.S ales of beer mixes – beer mixed with lemonade, cola, fruit juices and other non-alcoholic additives – increased by 1.6% in the first half of 2011 to 2 million hectoliters. Beer mixes made up 4.1% of total beer sales.83.7% of total beer sales were destined for domestic consumption and were taxed. In H1 2011 domestic sales rose by 0.2% compared to the first half of 2010 to 41.4 million hectoliters. Exports increased by 5.3% to 8.1 million hectoliters. Of these, 5.9 million hectoliters were sold in EU countries (+ 2.7%) and 2.1 million hectoliters in third countries (+ 13.6%). Source: Globalmalt.com

#### Aspall expands cider range

Premium Suffolk cider maker Aspall has called on design agency Shaun Power Design to create the packs for its first launch in four years. Aspall Imperial Cyder is an 8.2% ABV drink that is based on a recipe dating back to 1921. The 500ml bottle for the product is made by Ardagh Glass. The vintage cyder is available now in 500ml bottles with an RRP of £2.29 per bottle through Sainsbury's nationally, with a further roll-out planned for other stores and on-trade venues at the end of the summer. Source: Packagingnews.co.uk

## **RECYCLING/ COLLECTION**

#### New Facebook game gets people to recycle glass

In September, the European consumer movement Friends of Glass launches a Facebook game "Pass the Bottle" to reward people who recycle glass and to encourage them to recycle even more and better. The European container glass industry supports the initiative which turns the socially responsible act of recycling into a fun social media game. "Pass the bottle" wants the more than 5,000 Friends of Glass Facebook fans throughout Europe and the world to get to action by recycling a virtual glass bottle and by inviting new friends to do the same. As in real life, the game shows that the social act of glass recycling is rewarding for the environment. These fans are part of more than 15,000

Friends of Glass group members who will be invited to join the social game and have a chance to be rewarded for their action. For more information and how to join: www.friendsofglass.com

### Nestlé iPhone app designed to help sorting of waste

123 Recycle

Nestlé announced that it has launched the world's first free mobile application for iPhone and Android devices to help people recycle waste packaging correctly. Developed by Nestlé Singapore in collaboration with the Nanyang Polytechnic School of Information Technology, Recycle123 is initially available only for smartphone users in Singapore. Recycle123 is designed to be used with both Nestlé and non-Nestlé products "We are currently working with the relevant government and non-government bodies to promote this application to other parties," the company said. Nestlé added that similar applications could be developed for use in any municipality that relies on coloured bins to promote the sorting of waste by consumers. In a 2008 report from market analyst IGD, almost two thirds of shoppers (64 per cent) admitted to making mistakes with their recyclable packaging, while one third (34 per cent) admitted they were unclear as to what kind of packaging materials they are able to recycle. 123Recycle provides users with clear, easy-tounderstand instructions. When used with a Nestlé product, the app gives exact instructions on how to sort and dispose of each part of its packaging. For non-Nestlé products, the app currently offers generic recycling instructions about specific packaging materials, but the authorities in Singapore are inviting other manufacturers to add their packaging to the Recycle123 database for free. Recycle123 currently covers 99 per cent of Nestlé products sold in Singapore, including imports and including products from Nestlé Purina and Nestlé Waters, while its information database is being updated every few months to include more products.

Source: Foodproductiondaily.com

### Austrian packaging waste company denies antitrust allegations

The European Commission has launched an antitrust investigation into Austrian company ARA over concerns that it has abused its dominant market position in packaging waste management. But the company head said that he was "relaxed" about the inquiry as he "categorically denied" that the firm had engaged in any illegal practices. Brussels announced that its probe would examine whether ARA (Altstoff Recycling Austria) had tried to hinder competitors from getting into or growing their positions in the Austrian market by bullying its customers into not doing business with potential rivals. The Commission made its decision after its inspectors visited the company's premises last year. A spokesman from the Austrian competition authority BWB confirmed its officials had taken part in "dawn raids" at three sites in November 2010. "The investigation will focus on whether ARA may have abused its dominant position in the market, in particular by hindering access to its collection infrastructure, which is necessary to operate in the market, and by putting pressure on customers and collection service providers not to contract with ARA's competitors," said the Commission. But it stressed that the opening of the antitrust inquiry did not imply it had proof of an infringement but only that it intended to scrutinise "the case as a matter of priority". ARA, founded in 1993, specialises in the collection and recycling of all types of commercial and household packaging waste in Austria. The company said its turnover in 2009 was €160m.

Source: Foodproductuiondaily.com

### Material recycling rates too uneven in Scotland, says SEPA

The quantity of waste materials collected for recycling by local authorities in SEPÂ Scotland varies "considerably" and more could be done to increase the recycling rates of certain types of waste, concluded the Scottish Environment Protection Agency (SEPA) in its annual waste data report. The report published on 18 July outlines facts and trends relating to waste between 2005 and 2009. In terms of glass, recycling rates range from 22 to 67 per cent in Scottish councils. In the report, SEPA notes that the total quantity of materials recycled by Scottish local authorities in 2009–2010 was about 740,000

tonnes - with paper, cardboard and glass accounting for the largest fraction. But, says SEPA, only 44 per cent of the available glass and 38 per cent of the available paper was recycled during the year. With recycling rates ranging from 22 to 67 per cent for glass, and from 5 to 55 per cent for paper and cardboard. SEPA said this showed wide scope for improvement. The report says: "The quantity of materials recycled by local authorities between 2005/2006 and 2009/2010 varied considerably... There are opportunities for some local authorities to increase their recycling of certain waste types." Source: European Environment & Packaging Law

### Recyling is number one choice for doing something for the environment

A new survey, conducted on behalf of the UK Industry Council for Packaging incpen and the Environment (INCPEN) by Ipsos MORI in July 2011, shows that half of GB adults have heard and understood the messages about recycling their waste. However the wider and arguably more important changes in behaviour which would impact the environment positively - especially lower energy use - remain less well understood. When asked to choose up to 3 options from a list of things that people can do to help protect and improve the environment, over half (52%) chose 'recycle bottles, cans, paper and other materials', the highest number of responses. By contrast, just 15% chose 'turn down the home heating' and only 22% chose 'make fewer car journeys' and 'use public transport'.

Source: Ceepackaging.com

# FOOD CONTACT MATERIALS

### EFSA experts publish review on non-plastic food contact materials



A large number of substances used in non-plastic food contact materials have never been evaluated, said a European Food Safety Authority (EFSA) working group tasked with developing a regulatory framework on the issue. The body's

Scientific Cooperation (ESCO) Working Group has also proposed that a Pan-European network of experts be set up to help tackle crisis situations that surface in relation to such issues as printing inks, coatings, paper and board, and adhesives. What happens to substances that are used in the production of non-plastic FCMs is another major issue, it said. These are some of the findings contained in a report from a Europe-wide panel of experts brought together by the Parma-based food safety watchdog. EFSA convened the panel of experts last year after concerns were raised that a number of recent crises had originated from non-plastic parts of food contact materials (FCMs). Toxic substances leaching into foods from packaging inks and recycled cardboard have been two of the major issues grabbing industry and consumer attention.

Source: Foodproductiondaily.com

# STUDIES/RESEARCH

## EFSA spells out criteria for PET recycling

The European Food Safety Authority (EFSA) has spelled out how it will ersa evaluate different technologies used by recyclers to turn polyethylene terephthalate (PET) from post-consumer waste into food contact materials. The new opinion assigns clear arithmetic values to specific criteria such as residual contamination levels, which will determine whether a particular process gains a positive risk

assessment from EFSA. EFSA's CEF Panel has been working towards evaluating all the PET recycling processes used to produce food-contact materials since the relevant regulation was published in 2008. These processes will continue to be regulated nationally until the EU publishes its decisions and issues authorisations at the pan-European level. Many recyclers have already submitted their applications to EFSA, but no opinions have yet emerged. "From the dossiers received so far, it looks like there are around 15 main

technologies for the decontamination of post-consumer PET. The same technology may happen to be used by more than one producer," EFSA said. The new opinion clarifies how EFSA will evaluate the risk to health from any contamination in recycled PET by looking at the cleaning efficiency of different processes. The assessment also models the migration of contaminants through the recycled PET to ensure that the dose people might be exposed to will be "negligible".

Source: Foodproductiondaily.com

# **RAW MATERIALS**

### Solvay notifies friendly takeover bid on Rhodia to European Commission

Solvay announced that it has notified its friendly takeover bid on Rhodia to the (\$ European Commission, and this as part of the procedures aiming at the approval of SOLVAY the transaction by competition authorities. The closing date for the offer will be published by the Autorité francaise des marchés financiers following receipt of approval from the European Commission. After setting the closing date by the Autorité française des marchés financiers, NYSE Euronext Paris will publish a release with the final calendar for the offer and for its settlement. This calendar will also be published in a joint press release of Solvav and Rhodia.

Source: Solvey.com

## PEOPLE

### Appointment of head of container affairs for British Glass

Rebecca Cocking is the new Head of Container Affairs at the British Glass Manufacturers' Confederation. Rebecca takes over the chief responsibility for container issues, representation and promotion for the British association. The British Glass Manufacturers' Confederation operates on behalf of the UK glass industry on a wide range of topics, including health and safety, environment, recycling and waste, technical information services and standards.

Source: British Glass

## **EVENTS**

### Fachpack

**▼**FachPack 2010 15 September – 29 September 2011 Nuernberg, Germany

#### Simei

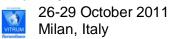
**5** Fiera Milano Citv 22 – 26 November 2011 Milan, Italy

#### ANUGA

8 - 12 October 2011 Cologne, Germany

Luxe Pack 2011 LUXEPACK October 2011 Grimaldi Forum, Monaco

### Vitrum 2011



### ProWein 2012

4 - 6 March 2012 Düsseldorf, Germany

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Fachpack

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## Glasstec

**<u>glasstec</u>** 23 - 26 October 2012 Duesseldorf, Germany

### Emballage



19-22 November 2012 Paris Nord Villepinte, France



16-20 September 2013 Munich, Germany

## Interpack

8 - 14 May 2014 Duesseldorf, Germany



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