

Power Performers

FTA Market Study Identifies Flexible Packaging's Heavy Hitters

Pouches, bags, shrink sleeves and wrappers—they're all flexible packaging, and more than 65 percent of converters participating in the Flexographic Technical Association's first-ever market research study indicated that each of these packaging formats plays an important role in the business.

Specifically, 77 percent of the sample audience manufactures print wrappers, 75 percent make pouches, 74 percent fabricate bags, 69 percent make shrink-sleeve labels and 68 percent produce full-body shrink sleeves. Clearly, many of the plants said that they produce multiple formats. In fact, just under half of all converters polled—44 percent—confirmed that flexible packaging production was responsible for between 76 percent and 100 percent of their company's revenue stream.

Thirty-one percent said flexible packaging accounted for up to 25 percent of profits. Another 17 percent said it brought in between 26 percent and 50 percent of all money. Eight percent estimated flexible packaging's contribution to the bottom line as ranging between 51 percent and 75 percent.

Diverse Substrates

Multiple formats translate into multiple substrates, according to converters surveyed. Eighty-seven percent print on film, 73 percent on paper and 67 percent on metallized foil. Of those who print on film, 23 percent reported that it is responsible for 76 percent to 100 percent of product output. An even larger segment—29 percent—estimated its share of output at up to 25 percent of volume.



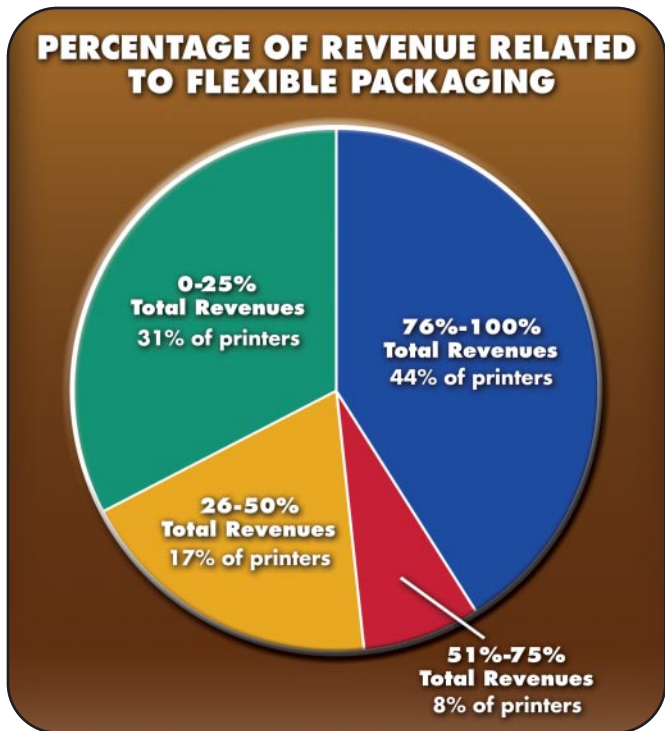
Seventy-six percent of FTA poll participants convert flexible pouches. Photo courtesy of Rohm & Haas Co.

Similarly, 26 percent of those printing on paper noted that it was responsible for up to 25 percent of output. Another 20 percent said paper product volume ranged between 51 percent and 75 percent of the total. Thirty-six percent of the sample audience reported that pouches represented up to 25 percent of production. Seven-and-one-half percent indicated that pouches accounted for more than

three-quarters of all demand. Another 1.5 percent of those queried said pouch orders fell somewhere between 51 percent and 75 percent of all orders. Six percent placed pouch market share at between 26 percent and 50 percent. Notably, 24 percent of FTA poll participants did not convert flexible pouches.

Shrink Sleeves & Labels

Full-body shrink sleeves are perhaps the newest heavy-interest segment in the flexible packaging marketplace, according to converters surveyed. More than half—54.5 percent—of the sample



audience has already entered the business. That equates to just 3 percent fewer than those producing shrink-sleeve labels.

Almost 14 percent of respondents placed their market share at up to 25 percent of business generated. Just under 5 percent said their full-body shrink sleeve market share runs between 26 percent and 50 percent. Almost 3 percent placed volume at 51 percent to 75 percent; and 1.4 percent of FTA's sample rated its importance even higher, at 76 percent to 100 percent of volume.

Similar findings applied to the popularity of shrink-sleeve labels. Twenty percent of those polled estimated demand at up to 25 percent of all business. Another 3.5 percent placed it in the 26-percent to 50-percent range. Others—1.5 percent—rated it in the 51-percent to 75-percent demand range, and 2.1 percent said it dominated the business and garnered a 76-percent to 100-percent share of dollars generated.

FTA's Flexible Packaging Market Research Study, now in its final stages of compilation and print production, will be available for purchase this September. FTA member price is \$595. Cost to non-members is \$1,395. Advance orders are being taken by FTA's Customer Service Department, which can be reached by phone at 631-737-6020. ■

EDITOR'S NOTE: This is the second in a series of synopses of FTA's Flexible Packaging Market Research Study findings. Continue to watch the pages of the next few issues for important updates. To keep up with the latest news as it happens, point your Web browser to www.flexography.org.