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“Packaging print harbours healthy growth opportunities for our machine manufacturers”

- **A study conducted by the print and paper technology associations in VDMA and NPES forecasts positive market development in packaging print**
- **Expected annual sales growth of 5.2 % until 2020**

Düsseldorf, 08.05.17 – In today's press conference held on the fringe of interpack 2017 in Düsseldorf, Dr. Markus Heering, Managing Director of VDMA Print and Paper Technology, presented the latest market figures on packaging print. According to these, annual growth rates of 5.2 % are anticipated on the global market up until 2020. “We expect overall sales of 286 billion US dollars in 2020, which represents an increase of 44 billion when compared to the figure for 2015”, declared Dr. Heering.

These figures are based on a contemporary study conducted by the VDMA industry association in conjunction with NPES, the US association for printing and publishing technologies, and market researchers from the Economist Intelligence Unit (EIU). This study has also drawn upon market developments in the period from 2011 to 2015. Apart from this, the authors also took a closer look at 26 countries on every continent to support their prognosis. Data is also subdivided into five packaging printing segments: corrugated board, folding cartons, flexible packaging materials, label printing and, as a fifth segment, all other niches, including direct glass and metal printing.

Developed markets offer enormous turnover potential

“The study indicates that, although growing middle classes and increasing awareness of hygiene in emerging economies have lead to very high growth rates, sales in developed markets such as the United States, China and the EU increase at a completely different level”, Dr. Heering pointed out. As a result, four-fifths of the growth forecast in sales is expected in the five largest markets (37.6 billion of 44 billion US dollars). The USA, China, Japan, Germany and the United Kingdom together accounted for 78 % of all sales in 2015. According to the study, this will increase to 79 % by the end of the decade – with India advancing from sixth to fourth place and forcing the United Kingdom out of the top 5.

Urbanisation, the trend towards smaller, more flexible packaging in terms of precise targeting of groups and differentiation of competition and increasingly decentralised supplier chains are the drivers behind development both there and here. Global brands are also increasingly manufacturing and packaging their products in regional hubs. "In addition to the increasing quality of print on packaging, equipping these hubs offers printing machine engineering equally promising prospects of growth", explained Dr. Heering. Modern printing technology is the key to a more refined, high-quality appearance and can attract the attention of undecided buyers to products through the use of sophisticated embossing techniques and the interplay between gloss and matt varnishes and metallic inks.

Print on films, labels and folding cartons offers positive chances of growth

The market study, which is available free of charge to member of the VDMA Print and Paper Technology industry association and which non-members can obtain through the association as of June 2017, breaks down growth forecasts according to markets and segments. At annual rates of 5.6 %, print on flexible packaging is the most dynamic area, followed by print on folding cartons and printing of labels, as analyses of both indicate that they will each grow by 5.2 % annually. However, as the most mature and, indeed, largest segment, printing on corrugated board remains on course to continue growing, with the joint study predicting average growth rates of 4.5 % until the end of the decade.

"Packaging offers an extremely positive environment for our print and paper engineers", concluded Dr. Heering. Numerous companies which are association members have been rigorously aligning their portfolios for years with this market and supply customers with precision solutions tailored to suit their applications. "This could involve efficient offset systems for cartons, rotogravure and flexographic processes for films, systems for direct printing on glass, metals and many other materials or even highly flexible digital inkjet technology for individualised products and rapidly expanding campaigns", he said. Intensive joint research also means that machine engineers can avail of a broad range of high-quality, food grade printing inks and varnishes today for every process. "We are well prepared to embrace pending growth on a global scale", he declared, "and our research and development continues uninterrupted. That's why I'm sure we'll once again be able to enjoy a broad range of innovations relating to print on packaging at drupa 2020".

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