Brighter Ideas for Metal Packaging

Whether you choose to give credibility to the growth estimate of Smithers Pira, who have forecast the global market for metal packaging to be worth $132 billion by 2021, or that of Global Industry Analysts (GIA), who have estimated that the market will grow beyond U.S. $155 billion by 2020, it's clear that demand for metal packaging continues its upward trend.

This growth is being driven by format and functionality advancements and the rising awareness about the benefits of nutrient-retaining metal packaging in the food and beverage sector.

With a longer shelf life than any other packaging material, metal packaging is well proven in a number of consumer markets, with food and beverage being the largest.

Metal packaging also offers the highest barrier properties against exposure to oxygen, sunlight, bacteria and moisture. Superior attributes of metal packaging, such as versatility, high functionality, inertness, non-permeability and eco-friendliness with 100% recyclability, are responsible for the market's strong growth over the past few decades.

Changing lifestyles, rising GDP, burgeoning demand from emerging nations such as in Asia-Pacific and Latin America, rising awareness about the benefits of nutrient-retaining packaging, ageing population, scarcity of time, and smaller family sizes have all driven the demand for canned food and beverages. The association of metal packaging with premium products, while the relatively cheaper plastic alternatives are busy capturing the mass-produced products, has also proved to be a driver of growth.

Whereas developing countries such as China, India and Brazil have long been associated more with manufacturing and exporting goods internationally than consuming them domestically, this situation has changed.

working for you.

As Dan Rogers, head of publishing at Smithers Pira, points out: "Whilst bulk metal packaging and export-related packaging have slumped slightly in emerging markets, growing social mobility coupled with an expanding middle class [means that] China is seeing private consumption grow by more than 20% year-on-year as disposable incomes, especially in urban areas, are rocketing. As a result, many of the economic powerhouses have begun increasing domestic consumption, creating major growth opportunities for local businesses. Nuances of consumer taste in these regions, such as the Indian preference for food cans over rigid plastic packaging and Brazil's unique traditional beverages, have introduced an exciting new growth opportunity that relies more on local brands and domestic trade than mass imported and exported delicacies."

A notable area of expansion in the metal packaging market has been in smaller-volume, higher-value craft beers and ales. This growth sector in the beverage can market represents a wider shift in otherwise saturated regions, such as France or Germany, which have also been the two key European territories for aluminium bottle launches from 2012 to 2016. *(Source: Mintel)*

Brewers of premium and craft beers have increasingly chosen to use 330 ml beverage cans as a marketing differentiator, which has boosted the image of this packaging format as being on trend.

Larger companies have begun embracing this shift into bespoke products in the Fast Moving Consumer Goods (FMCG) market with more variance of design on cans, limited-edition cans to commemorate specific events, and targeted marketing campaigns that aim to make the most of this new freedom within the beverage can market.

With consumers becoming more aware than ever about environmental issues, there has been a strong trend towards recycling metal packaging such as beverage cans and aerosols, especially in Europe.

The European Commission has imposed challenging targets for recycling, and landfill sites have seen increased taxes. European recycling has increased its metal packaging recycling rate steadily in recent years. In 2013 it achieved around 75% recycling of rigid metal packaging, and it's on track to reach its target objective of 80% metal packaging recycling in Europe by 2020. *(Source: Metal Packaging Europe)*

Other regions, such as North America, are lagging behind this goal, with only around 35% recycling of metal packaging in 2013 from the U.S. This is still an improvement on previous years though, suggesting a growing trend, if not as dramatic. Technology strides are still being made to further lightweight rigid metal packs by reducing the amount of material, mainly steel and aluminium, used.

THE FACTS

- Of all beverage pack types (glass bottles, plastic bottles, cans, cartons, pouches, metal bottles), beverage cans are the only one to show consistent year on year (2010–2016) increases in terms of percentage of global beverage launch activity. *(Source: Mintel)*
- Between 2012 and 2013, innovation in ale more than doubled as craft beer launches increased and consumers sought more complex and distinctive flavours. *(Source: Mintel)*
- 68% of consumers surveyed would consider switching to a comparable brand of packaging that offers a sustainable option. *(Source: Empac—European Metal Packaging)*
- 73% of consumers surveyed reacted positively towards companies that use sustainable packaging. *(Source: Empac—European Metal Packaging)*

Technology advancements have significantly raised the visual appeal for products packaged in metal containers. Newer technologies of shaping, embossing and adding decorative finishes to the final product resulted in making metal packaging more adaptable. There is also an ongoing shift towards lightweight products as lightweight metal packaging is becoming increasingly commonplace.

The challenges

Recycling is one of the key aspects that sets metal packaging a grade above other packaging materials, particularly polymer packaging, as steel and aluminium products are fully recyclable. However, bioplastics with higher sustainability and recyclability are expected to emerge as a major competitor for metal packaging. Other key challenges confronting the market include the substitution of alternative packaging materials, especially glass, paper and polymer packaging, and the issue with BPA (bisphenol A), which is used for lining the food-contact surface of metallic containers.

Insight from market intelligence organisation Mintel

"Beverage cans have managed to maintain a relevance for today's consumer by recognising the need for change. Smaller cans aimed at conveying portion control and one-piece aluminium cans with resealable lids are helping cans find new end-use opportunities.

The recent acceptance and rapid growth of cans within the craft beer segment (even the introduction of 'crowlers' in the U.S.) could help push cans even further into the purchasing mindset of younger consumers, and into other more traditional beverage categories.

Food cans have been ousted by more modern formats such as pouches, which helps to explain Mintel research which reveals that food cans have a very poor image in terms of being a contemporary pack type. However, beverage cans, especially one-piece, extruded aluminium cans, can be seen as much more modern and portable."

– David Luttenberger, CPP, Global Packaging Director, Mintel

"Whilst bottles still rule the roost when it comes to beverages, cans are in no danger of falling by the wayside. Mintel's GNPD shows that 12% of all beverage launches in Europe were launched in cans, whilst the stand-up pouch stalled at only 1%.

Beyond Europe there is opportunity in the move from unpackaged beverage to packaged, particularly in China, India and Indonesia. On top of this, in global terms beverage cans have seen an increase in innovation. The percentage of global beverages launched in cans has increased from 15% in 2010 to 17% in 2016.

Beverage cans and aluminium bottles are ideal for limited-edition shelf stand-out. Indeed, Mintel's GNPD shows us that these pack types are more likely to be launched with a limited-edition, premium, seasonal or event merchandising claim than any other beverage pack type.

Beer is an important category for metal packaging. The consumer acceptance and now desire for metal cans for craft beer has really been a boon for the pack type. The category is also supporting metal bottles, particularly in the U.S. where Anheuser-Busch InBev have greatly increased their metal bottle capacity to meet growing consumer demand.

Metal bottles are opening up opportunities for resealability in metal packaging through the screw cap. Portion control is an important feature not just in carbonated soft drinks, but also in less obvious categories, such as beer, and resealability can give the consumer the feeling of control over consumption amounts. That visibility of control is important not just in use, but also as a purchase decision maker, and hence we have seen resealability highlighted as a feature on multipack packaging for beer in metal bottles.

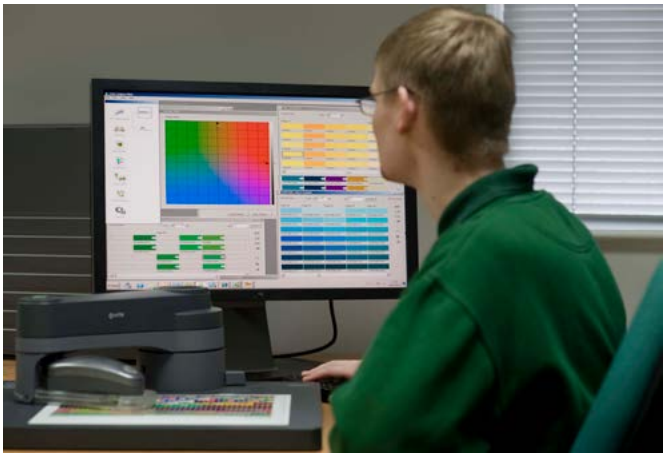
Can decoration is becoming an ever more important brand marketing tool. Limited-edition designs for cans are becoming more commonplace and are also showing greater variation. Now it is not uncommon for a limited-edition campaign to feature a large number of designs, highlighting the fact that print variability, flexibility and fast speed to market, delivered most likely through digital print, will move from a 'nice to have' to an 'absolute must' for converters."

– Dr. Benjamin Punchard, Director of Packaging Insights, Mintel

Sun Chemical offers a wide range of metal decorating inks and special effects for two-piece and three-piece cans, tubes, and monoblocs.

Sun Chemical's brighter ideas for metal packaging

- A range of specialised solutions for metal decoration that allow packaging to be both appealing and functional. Sun Chemical's special effects portfolio includes tactile effects, color change inks, interactive solutions and sensory packaging, all of which ensure that metal packaging doesn't go unnoticed on the shelf.
- A flexible and robust ink range that offers high-speed decorator performance suitable for printing on two-piece aluminium and steel cans, features excellent printability at high speeds, and good adhesion in both varnishable and non-varnishable ranges.
- A range of versatile, flexible, cost-effective and highly resilient inks for three-piece metal deco applications, suitable for all types of metal cans and closures, from crowns to pails, aluminium pilfer-proof caps, aerosols, food cans, drawn fish cans and more. Featuring low misting and good adhesion between layers and to the substrate, the range is available in conventional and UV-based versions with excellent printability at high speeds. The range also includes migration-compliant inks available for food and other sensitive packaging.
- A range of inks offering excellent performance, superior quality, high productivity and high fastness properties for monobloc aerosols, monobloc drink bottles and aluminium collapsible tubes.
- A variety of covert and overt security solutions to ensure brand integrity on packaging. The solutions include invisible high-security inks, hidden image technology, special effect inks and a range of high-level taggant reader systems. Other innovative covert, machine-readable authentication products are available to address counterfeit, diversion and smuggling issues.
- Sun Chemical is the preferred ink partner for PantoneLIVE,™ an open, color management ecosystem developed by X-Rite Pantone, recognised worldwide as the leader in color communication. PantoneLIVE enables every participant in the supply chain workflow to access a cloud-based repository of spectral data whenever the exact PANTONE™ color needs to be reproduced—across the vast majority of packaging substrates. Sun Chemical and X-Rite Pantone are working together to expand PantoneLIVE to cover metal packaging, adding a library of dependent standards for metal decoration in 2017. Sun Chemical leverages PantoneLIVE with a fully integrated, global color platform that links every part of the workflow. This global color platform is a mix of various tools, software, hardware and services, which support the interconnectivity between the major suppliers responsible for getting colors right first time on press.



PantoneLIVE enables every participant in the supply chain workflow to access a cloud-based repository of spectral data.

See how our brighter ideas for metal packaging can help you

Drawing on years of experience in working with brand owners, industry organisations, regulatory bodies and packaging converters, Sun Chemical has developed a range of innovative metal packaging ink solutions for two-piece and three-piece cans, for monobloc aerosol cans and drink bottles, and for aluminium tubes.

Talk to us to find out how our Brighter Ideas for Packaging can help your brand on its journey from concept to consumer. Visit www.sunchemical.com/brighterideas.

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35 Waterview Boulevard
Parsippany, NJ 07054
United States
www.sunchemical.com/brighterideas

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