



**FPA**<sup>™</sup>

Flexible Packaging  
Association

REPORT TO  
THE MEMBERS

2021

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## Letter from the President & CEO

2021 was not as unpredictable as 2020, but neither was it certain. FPA continued to pivot, pursue, and respond to the challenges and opportunities presented. While much was still different in 2021 due to the ongoing pandemic, many things returned to semi-normal. With vaccines available, travel began again in the second half of 2021 with several industry trade shows, conferences, and FPA's Annual Meeting in September, all held successfully in-person.

Work at the state and federal level on policy regarding packaging also returned, with FPA battling in numerous states to promote and protect the industry from bans and onerous extended producer responsibility legislation, while advocating at the federal level for investment in recycling infrastructure. FPA's coordination and collaboration with the supply chain and other stakeholders resumed on all fronts, reaching many consumer product companies with our circularity message. FPA published the *Flexible Packaging U.S. Market Profile & Segmentation Report* in 2021, which will assist both the industry and its partners in the supply chain, as well as those working on circularity systems, with a clear understanding of the flexible packaging generated in the U.S. and what market segments are represented.

Work on our strategic plan continued, with a business and industry workgroup surveying the membership about our data collection and the usefulness of our reports, to assist with streamlining and updating future publications, particularly the *State of the U.S. Flexible Packaging Industry Report*. Promotion continued, including *FlexPack VOICE*® and our social media presence through LinkedIn, Twitter, Instagram, and Facebook. FPA's Emerging Leadership Council (ELC) is tackling promotion, education, and work force issues; with 3 new videos this year entitled, "Come Grow With Us," and their own presence on LinkedIn. Where there are flexible packaging conversations – FPA is there.

Workforce and supply chain issues are slated to continue into 2022, however, the industry also grew an unprecedented amount (3.6%) in 2021 versus U.S. GDP at -3.5% despite these issues, and we expected continued growth in 2022. This highlights the importance of the industry in our everyday lives, a message FPA promotes and will use in a new membership campaign in 2022 – "Let's Unite for Flexibles!"

Sincerely,



Alison Keane, Esq., CAE, IOM  
*President & CEO*



# ADVOCACY

## Advocacy - State

2021 will go down as a landmark year in terms of new packaging policy at the state level. Maine and Oregon's legislatures have now officially passed extended producer responsibility (EPR) laws for packaging sold or distributed in their states. These states will now lead the way on this issue and create a precedent for other states that follow, and unfortunately, neither is a model FPA would support. In fact, they are both very different in their approaches and neither mimic any current packaging EPR programs in Europe or in Canada; so, we now see a patchwork developing across the U.S., which will interfere with commerce as we know it. A labeling bill was also passed in California that would prohibit the use of recycling symbols that are widely used and mandated in other states for plastics. Thus, work on the federal level has begun on harmonization as we can not manufacture and label packaging on a state-by-state basis.

While FPA was unable to stop the Maine bill, we were able to mitigate the Oregon bill and stop a host of other EPR bills in Hawaii, Washington, New York, and California, among others. The labeling bill in California was not the only outlier either. California also had a bill that would have banned all plastic e-commerce packaging and FPA was able to defeat it, in part, because of the work we had already done on the value and sustainability of e-commerce packaging with our report "Sustainability Life Cycle and Economic Impacts of Flexible Packaging in E-commerce."

Other bills not directly tied to EPR were post-consumer recycled content (PCR) legislation and per- and polyfluoroalkyl substances (PFAS) in packaging legislation. FPA was successful in negotiating a better PCR bill in Washington State,

which originally had infeasible PCR rates and dates for all flexible plastic packaging. The bill that passed has achievable rates and dates and was narrowed down to trash bags with respect to flexibles. Another bill in Connecticut would have banned the use of all PFAS in packaging, including as processing aids. FPA was able to amend the bill to strip out the processing aid prohibition, as fluoropolymers that do not pose a risk are necessary for film extrusion, particularly when using PCR content in films.

Lastly, as FPA firmly believes a suite of solutions are necessary to address the lack of collection, processing, and end-markets for flexible packaging circularity, FPA advocated in several states for legislation enabling and funding advanced recycling, including chemical recycling. We were successful in several states and this work will continue.

## Advocacy - Federal

As stated, one of the top legislative priorities for FPA is to advocate for a national strategy to improve, advance, and increase packaging recycling in the U.S. From the time the Biden Administration and the 117th Congress were first sworn in 2021, FPA has worked with our industry partners on efforts to advance a comprehensive strategic framework to implement legislation and regulations that will create a more circular economy for flexible packaging and all packaging.

The issue has many components to it, and, accordingly, there have been numerous federal legislative proposals introduced. As noted in the past, FPA continues to support bipartisan efforts that have the best potential to make meaningful, durable strides to solving this problem. In this vein, FPA advocated for the RECYCLE Act and the RECOVER



Act, which were both reintroduced in the spring of 2021. These bills would provide funding to modernize recycling infrastructure and advance recycling programs in communities. Ultimately, our efforts to include not only the RECYCLE Act, but significant funding for recycling infrastructure were met with success when the bi-partisan infrastructure bill was passed in the late fall and signed into law. The law includes \$350 million for solid waste and recycling grants, \$275 million for Save Our Seas 2.0, which FPA also supported and \$75 million for the RECYCLE Act's recycling education and outreach.

FPA was able to help defeat some concerning legislation in 2021 at the federal level, including a proposal to tax virgin plastic production in the Biden Administration's Build Back Better budget proposal. Other bills that would advance taxes and moratoriums on virgin resin production, among other provisions that FPA opposes, such

as the CLEAN Future Act and the Break Free From Plastic Pollution Act are currently stalled and not likely to move forward as is. Congressional action on plastic recycling legislation, coupled with the push for including recycling infrastructure as part of the larger infrastructure package, provided opportunities for FPA to highlight the benefits and effectiveness of flexible packaging and its positive sustainability profile.

FPA was also able to partner with other trade associations in introducing the APEX Act again this year, which would bring transparency to aluminum price reporting and provide stability for American companies dependent on aluminum, such as beer, boat, and consumer goods manufacturers. As many members are keenly aware, fine gauge aluminum foil is necessary for barrier protection and sterility in a host of food, pharmaceutical, and medical device flexible packaging, and it is not available in the U.S.

both in terms of quantity and quality. The Midwest Premium, on top of the current tariffs and duties on foil from outside the country, leaves U.S. converters vulnerable to competition from foreign suppliers of finished goods. The APEX Act would reduce that vulnerability.

FPA was also pleased to see the first installment of the U.S. Environmental Protection Agency's (EPA) National Recycling Strategy, where EPA plans to chart the U.S. on a path toward a circular economy. The document outlines the actions needed to create a stronger, modern, and cost-effective U.S. municipal solid waste recycling system. It highlights several key issues with the current recycling system, which are consumer confusion and subsequent contamination of recycling streams; recycling infrastructure not keeping pace with today's waste; and limited end-markets for recycled materials. The strategy for modernizing the U.S. recycling infrastructure recognizes five objectives to address the key issues and ultimately increase the national recycling rate to 50% by 2030. Many of the strategies in the plan align closely with FPA's as well as our coalition partner's proposals, such as the Recycling Leadership Council, AMERIPEN, and the Recycling Partnership.

The five objectives are to improve domestic markets for recyclable materials and products; increase collection and improve materials management infrastructure; reduce contamination in the recycled materials stream; enhance policies to support recycling; and standardize measurement and increase data collection.

## Technology and Regulatory Affairs

This section is a summary of major activities undertaken by FPA's Environmental, Health, and Safety (EHS) Committee during 2021. The Biden Administration's environmental policy initiatives are a major shift from the previous administration, focusing on Climate, Environmental Justice (EJ), and disproportionately harmful impact on communities of color and low-income, as well as the creation of well-paying union jobs. A substantial amount of money has been earmarked for EJ targeted infrastructure projects including another \$20 million specific to neighborhood air quality and industry fence-line monitoring studies. The committee is monitoring developments as many of its member companies are in impacted areas. Additionally, the Department of Justice has been engaged in seeking federal courts to reverse, hold in "abeyance," or remand back to EPA many of the air, water, waste, and toxics regulations promulgated or abolished by the former administration. Note that FPA submitted substantial comments on many of these issues with favorable outcomes. The committee is dedicated to keeping a close watch and ready to act on issues that may negatively impact FPA member companies.

During the past administration, the federal Occupational Safety and Health Administration (OSHA) undertook very few regulatory or enforcement initiatives including those covering COVID-19. That is now changing as the Agency begins to comply with President Biden's Executive Order "Protecting Workers Health and Safety," emphasizing it as a national priority and a moral imperative. As we have seen with the COVID-19 Emergency Temporary Standard (ETS) that OSHA issued late in 2021, the industry can expect a very "aggressive" OSHA in 2022. FPA will continue to work directly and with other industry coalitions on regulatory issues that are of mutual concern.

## Environmental, Health, and Safety Committee

The EHS Committee usually meets in-person on a quarterly basis. Instead, due to the pandemic, the Committee met virtually on a bi-monthly basis and conducted much of its work via emails/conference calls. Each meeting agenda includes an in-depth analysis of regulatory issues and sharing “best practices” as they relate to safe facility operations. The next four years are anticipated to be busy as many of the rules FPA commented on and had favorable outcomes are now under judicial and Agency review. In addition, upcoming climate and environmental justice initiatives are likely to have economic and compliance burdens on manufacturing and sustainability programs. The following provides a few specifics of committee’s work:

### Per-and polyfluoroalkyl (“PFAS”)

There is significant movement at the state and federal levels to ban/regulate the use and reporting

of PFAS. The Agency is under pressure to designate these chemicals as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). If that were to happen, water and wastewater utilities would be required to dispose of PFAS-laden filters at a hazardous waste facility. Many of the current landfills may become Superfund sites, resulting in staggering financial liability and clean-up costs. These costs are likely to be passed on to communities, industry, and ratepayers. EPA agreed to form the EPA Council on PFAS to develop a comprehensive agency approach to addressing per-and polyfluoroalkyl substances. It will afford industry an opportunity to push for a transparent, science-based solution. FPA joined a coalition led by the U.S. Chamber of Commerce to advocate for an industry position. FPA’s Product Stewardship and Circularity Committee has also been active in the legislative arena on this subject.



## Federal Manufacturing Stormwater General Permit

The EHS Committee spent a significant amount of time this year commenting on proposed updates to the federal general stormwater permit for manufacturing facilities. FPA was successful in advocating for flexibles to be one of several industries excluded from special conditions in the general permit because of the overall low pollution profile and general housekeeping commitments within the industry. Additionally, under the permit revisions, several off-site toxicological analyses were streamlined. The committee will continue to keep a close watch on Stormwater General Permits as with increasingly dramatic storms and water pollution issues in certain areas of the country, the storm water permit programs will continue to grow increasingly complex.

## Security and Exchange Commission (SEC) Climate Disclosure Rule

SEC sought input on updating and broadening its 2009 Climate Disclosure rules including Environmental Social Governance (ESG) for publicly traded companies. The analysis indicated that it would also impact privately held companies, particularly with respect to investment and commercial loans. FPA provided comments discussing various greenhouse gas (GHG) emission metrics, their comparability from industry-to-industry and data collected by independent organizations like the Carbon Disclosure Project and EPA. The submission underscored the difficulty that proposed requirements for auditing and comparison of different industry GHG

metrics will present for investors. Additionally, we urged the SEC not to adopt Scope 3 (supply chain) reporting and to defer requiring social and governance disclosures in SEC filings at this time. Note that U.S. Chamber of Commerce, and private companies like Amazon and Bank of America, were “brutal” in their comments, with U-Haul, for example, calling the new ESG reporting requirements nothing but “unconstitutional ‘name and shame’.”

Additionally, FPA submitted comments on the “Social Cost of Carbon” to the Office of Management and Budget (OMB) which the Biden Administration is expected to use in formulating Climate regulations. There is a lot of activity at SEC, OMB, and FTC that has the potential to impact FPA members. The committee is fully engaged.



### FPA's Environmental Issues Index

Updated quarterly; reviewed during committee meetings; and posted in the “Members Only” section of the FPA website, it is a comprehensive document for regulatory updates including FPA’s action plan for responding to regulatory issues that may impact the flexible packaging industry. FPA members use it as a resource and provide feedback including any issues that are of concern and not included in the document. The *Issues Index* is unique in that it has all the relevant environmental issues in one place, which members find highly valuable.

### NAPIM Ink Migration Project

FPA is collaborating with the National Association of Printing Ink Manufacturers (NAPIM) to establish that inks used in package printing comply with FDA migration limits and thereby should be exempt from food contact additives regulations. Dr. Cheeseman (former senior level FDA employee) is working as a project consultant. The committee met with the FDA and received positive feedback on project approach and risk assessment methodology. It is a lengthy process, and the pandemic has made it worse as it is difficult to get FDA to volunteer any resources that are not related to COVID-19. The effort continues.

### OSHA Update—COVID-19 ETS

During Committee calls it became clear that members are spending upwards of 50% of their time addressing issues related to COVID-19 in the workplace. Realizing members’ need for timely updates on this fast-moving issue, FPA doubled down on its efforts to research and compile resources to help members understand the status and implications of OSHA’s vaccinations, testing, and face coverings Emergency Temporary Standard (ETS). In a remarkable turn of events, the U.S. Court of Appeals for the Sixth Circuit dissolved the nationwide stay of OSHA’s ETS that had been issued by the Fifth Circuit in November. Immediately following the decision, OSHA issued a statement that the agency was moving forward with implementation and enforcement of the ETS. Numerous parties including 26 State Attorneys General filed an emergency application and motion with the U.S. Supreme Court requesting the Court reissue a stay of the ETS. Although not a party to litigation, FPA signed on to the position taken by “Employers COVID-19 Prevention Coalition” and the U.S. Chamber of Commerce. This approach offers a significant benefit to FPA members without incurring cost of litigation. As of publication, the U.S. Supreme Court has reissued the stay.

# SUSTAINABILITY

## Materials Recovery for the Future (MRFF)

FPA is an active partner in this industry sponsored multi-year, multi-million-dollar research project. The focus of the program is to establish that flexible packaging that is not mechanically recyclable today can be collected in a single stream system, and auto sorted at Material Recovery Facilities (MRFs). The central goal of the project is to find the most cost-effective pathway to create a flexible packaging commodity bale for reprocessing or conversion to fuel and other market commodities. The MRFF project's vision is: "Flexible Packaging is recycled curbside, and the recovery community captures value from it." The pilot, which has now been commercialized, is in full swing at the TotalRecycle Material Recovery Facility located in Birdsboro, PA. The results show that the project vision is consistently being met. The recent evaluation indicated that the rFlex bale had 87% recovered flexible plastic packaging (FPP), 10% fiber, and 3% others. Since the contamination rate of the fiber bale is significantly reduced, it increases the selling price of fiber bales creating financial benefit to MRFs. From both financial and environmental perspectives, this project is a win-win for the MRF and helps to meet 2025/30 sustainability goals set by many FPA member companies. The project has now transitioned to the Film and Flexibles Coalition of The Recycling Partnership (TRP) of which FPA is a member. TRP has the resources to take the project to the next level.



Developing end-markets for recycled flexibles is critical to the success of the MRFF project. Continuing this journey, MRFF sought and was awarded a \$500,000 grant by the REMADE Institute (funded by the U.S. Department of Energy) to pilot traceability and block chain technologies to expand the quantity of recycled plastics moving from collection to MRFs to end-markets. The research will include analyzing the costs and environmental benefits of recycling the flexible plastic packaging via multiple manufacturing pathways including roof cover board, pallets, pavers, and films. The project will continue to investigate scalable technologies to recycle the flexible packaging waste.



## Advanced Recycling; Achieving Circularity via Plasma Gasification (Waste to Syngas)

FPA is a founding member of the Consortium for Waste Circularity project which is managed by the University of Florida (UF). Regenerative gasification makes it capable of accepting virtually everything within municipal solid waste (MSW) and converting it to syngas. While syngas itself is not easily transported, it can be converted to methanol also known as Eco-Methanol and back into new products, plastics, and packaging. This project offers a great promise to achieve circular economy sustainability goals for flexible packaging.

While several commercially available options for robust gasification currently exist, there are many opportunities for innovation, iteration, and optimization for handling the MSW. Therefore, UF developed lines of research related to reducing the complexity and cost of the gasification technology as well as conversion of syngas to methanol. It is expected that a bench-scale system will be ready for testing and experiments during the first quarter of 2022. Plans for commercializing the gasification technology are under development.



CONSORTIUM  
FOR WASTE CIRCULARITY



FPA's Sterilization Packaging Manufacturers Council (SPMC) is comprised of FPA member companies that are industry experts in the unique production requirements of sterile medical and pharmaceutical packaging. SPMC's members volunteer their time, resources, and technical expertise to provide packaging requirement guidance, test methodology clarity, standards development, and user education. The highlights below indicate how FPA membership contributes to the exposure of its members' accomplishments at an industrial scale.



The SPMC celebrated its inaugural Sterile Packaging Day on March 10, 2021. The event was created by the Council to raise awareness of the critical role sterile packaging plays in everyone's health and well-being.

To mark the occasion, SPMC aired a professionally produced video on its web page and LinkedIn account. The video explained the genesis and importance of the event and featured the voices of representatives from SPMC's member



companies as they thanked all of those who design, develop, produce, package, sterilize, test, open, and rely on sterile packaging.

In the lead-up to Sterile Packaging Day, SPMC developed a dedicated web page detailing the event's purpose and its foundational pillars — *patient safety, peace of mind, and supply chain strength*. The page also featured a statement from SPMC Chair Dhuane Dodrill, President & CEO of PAXXUS, Inc.; five tips for celebrating Sterile Packaging Day; custom-developed shareable graphics and handouts; and a complete downloadable event toolkit.



Sterile Packaging Day attracted trade press coverage and interest from partner organizations. DuPont™ Tyvek® amplified SPMC's LinkedIn posts, recorded a fireside chat discussion with SPMC members, and developed a video explaining what Sterile Packaging Day meant to them.



In partnership with SPMC members, Charlie Webb of SPOT (Sterile Packaging On Track) Radio recorded a podcast about Sterile Packaging Day and *MD+DI* produced a Facebook Live event. *Packaging Digest* published several articles about the event.

SPMC set Wednesday, April 13 as the date for Sterile Packaging Day 2022 and already has tentative plans in place for an in-person celebratory event at Medical Design & Manufacturing (MD&M) West in Anaheim, California. In addition to shining a light on the strength of the industry, SPMC hopes to give back to the community as well to celebrate this event.

The SPMC's Technical Committee wrote and released two new white papers in 2021 — *A Guide to Writing Rollstock Specifications* and *A Guide to Writing Pouch Specifications*. They provide clarity to ASTM F99 and F2559 standards, respectively. Both papers are viewed as an excellent industry resource and are available for download free of charge on SPMC's website, [sterilizationpackaging.org](http://sterilizationpackaging.org).

SPMC was a sponsor of 2021 Medical Design & Manufacturing (MD&M) Minneapolis, Minnesota trade show where it hosted a 45-minute panel discussion titled "Unpacking the Science of Medical Packaging Requirements." The FPA team opened the session with an overview of SPMC's long-standing relationship with AAMI and ASTM International as well as key components from SPMC's white paper publications, which demystify medical packaging requirements and considerations related to gels, package integrity, and standard specifications for rollstock and pouches. The event was well received with a significant number of packaging professionals actively participating during the Q/A session.



The ELC is a new committee comprised of up-and-coming professionals, and their mission is to establish a network of future leaders to drive issues and opportunities which have a long-term impact on the advancement of the U.S. flexible packaging industry. The ELC is co-chaired by Jonathan Quinn, Director of Market Development & Sustainability, Pregis and Adrienne Tipton, Senior Vice President, Innovation, Novolex. Within the ELC there are four subcommittees: Advocacy, Education, Leadership Development, and Recruitment.



One of the ELC's first projects was to develop a series of videos that discuss how the industry responded to the COVID-19 pandemic; sustainability in packaging; and the importance of workforce development. The videos are available on the FPA website and YouTube.

- Pivoting Our Industry During COVID-19 in Production and Community;
- The Sustainability of Packaging in Today's Environment; and
- Attracting New Talent into the Flexible Packaging industry and Workforce

In 2021, the ELC Recruitment Committee revitalized the student summer internship program that included over 35 students from 18 different companies. The ELC started the program to “sell” the flexible packaging industry to highly

impressible students who are weighing a very important decision—where to launch their careers. The program also included a summer speaker series and small group discussions.

The Recruitment Committee also launched a new campaign, “Come Grow With Us,” to help promote and attract new talent to the flexible packaging industry. The campaign consists of three videos that are available on YouTube and the FPA website:

- The Future of Flexible Packaging: Highlights why the future of the industry is brighter than ever;
- Why Flexible Packaging?: ELC members share why they chose to join the flexible packaging industry; and
- Growing the Industry: ELC members share how the flexible packaging industry is rising to the challenge to create a more sustainable and brighter future.

## EXTENDED PRODUCER RESPONSIBILITY (EPR) BASICS

According to the U.S. Environmental Protection Agency (EPA), roughly 9% of plastic generated each year is recycled whereas roughly 75% goes to landfill. Between consumer knowledge, recycling infrastructure, and raw material capabilities, there are several gaps to overcome to improve these statistics.

To fill these gaps and find circular solutions for flexible packages, among other, Europe and Canada have enacted Product Stewardship legislation, specifically around Extended Producer Responsibility (EPR). In just the past few years, there has been a large push to bring this type of legislation to the United States.

EPR is a way to assign end-of-life responsibility to producers of the product that uses the packaging. This typically includes both financial and operational responsibility to assist in managing the packaging materials after use. This creates a shared responsibility for end-of-life management and allows the costs of circularity for packaging to be incorporated into the total cost of the product.

For packaging schemes, producers of the covered products using the packaging (brand owners) typically join a producer responsibility organization (PRO). The PRO develops a responsibility plan, approved by the state regulatory agency, collects money from the brand owners, and manages the circularity responsibility of the covered products for its members. The PRO also works with infrastructure to handle today's packaging and recycled materials. Through the PRO, producers can collectively manage the circularity for packaging, instead of managing multiple individual programs.

### The Ideal PRO Scenario for the packaging industry

### States with EPR LEGISLATION

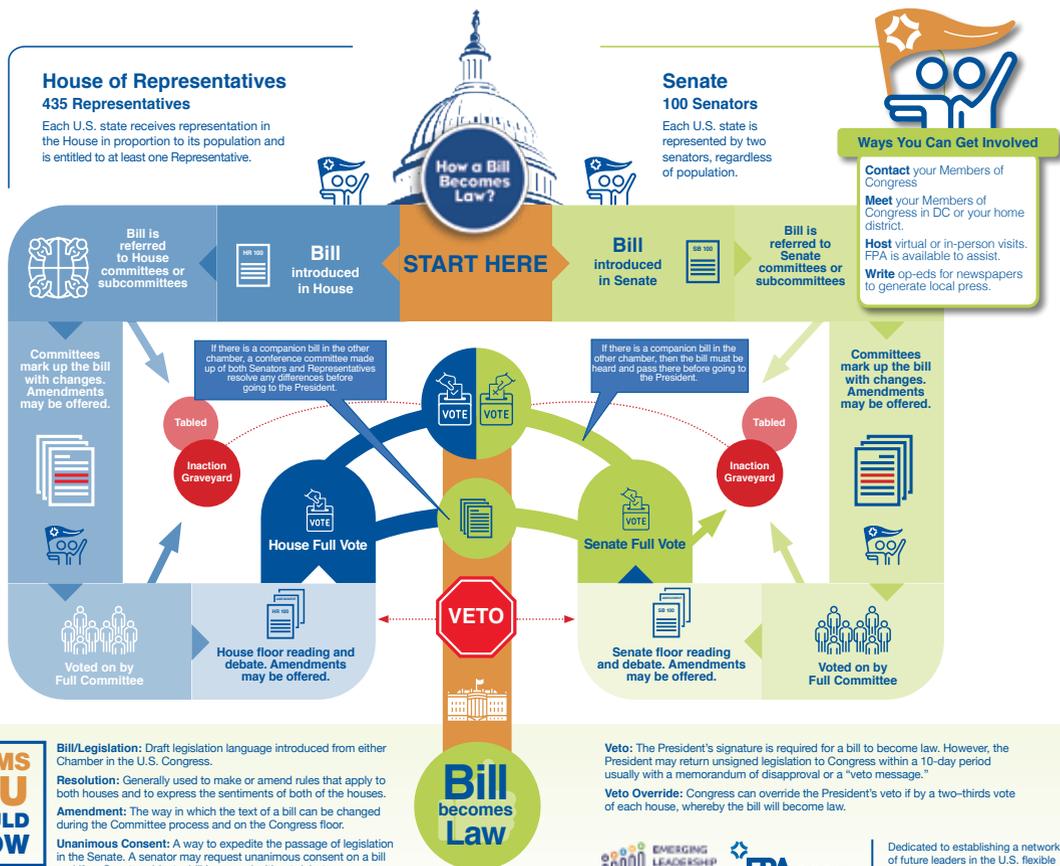
**Maine Legislative Document 1541:** An Act to Support and Improve Municipal Recycling Programs and Save Tax-payer Money  
**Signed into law on 7/12/21.**  
 LD 1541 establishes a stewardship program in the state for packaging materials to be operated by a stewardship organization contracted by the Department of Environmental Protection. The state will determine the amount of fees paid by producers and will then dictate how the fees will be used to reimburse municipalities for current recycling and waste management costs of covered packaging materials. EPR does not view the bill as a model for real EPR for packaging.

**Oregon Senate Bill 582:** Plastic Pollution and Recycling Modernization Act  
**Signed into law on 8/6/21.**  
 SB 582 creates a producer responsibility program for packaging, food service ware, and printing and writing paper. Producers are required to be part of a PRO and implement a producer responsibility plan approved by the Department of Environmental Quality (DEQ). Funds will be used for improvements to the recycling system. Fees will be based on several factors determined through rulemaking, including where the material is collected and processed; material type; recyclability; and achieving mandated recycling rates by certain dates. Failure to achieve set goals and rules implies increased fee payment to the PRO. While better than Maine's law, Oregon's law still gives too broad authority to the DEQ to dictate the terms of the program, which should be reserved for the PRO.

Flow Chart developed by the Campaign for Recycling and the Environment (CRE), a national association of consumer and commercial packaging manufacturers whose goal is to bring together our members, consumers, and lawmakers to find an effective, environmentally responsible, and consumer-focused solution to reduce the amount of waste that goes into our landfills and into our environment.

The ELC Advocacy Committee created an easy-to-reference infographic that outlines the federal legislative process to help to gain a better understanding of the path that bills need to take to become signed into law. The committee also developed a fact sheet on extended producer responsibility (EPR) to help educate the industry, stakeholders, and the consumers of goods packaged in flexible packaging. The fact sheet touches on the following aspects related to EPR:

- The basic elements of EPR;
- An overview of the Maine and Oregon EPR legislation;
- How producers and consumers may be affected by EPR legislation;
- The FPA's policy surrounding EPR; and
- Important terms to know.



# PROMOTION

Promoting the benefits of flexible packaging and FPA members is a core pillar of the Association's work. In 2020, FPA commissioned PTIS, LLC and Priority Metrics Group (PMG) to produce the *A Flexible Packaging Path to a Circular Economy: Flexible Packaging Sustainability Roadmap Report*, and in 2021 provided members with marketing and communication tools for use with their customers as well as additional tools for FPA to speak with policymakers and the supply chain.

## A Flexible Packaging Path to a Circular Economy: Flexible Packaging Sustainability Roadmap Report

FPA partnered with PTIS, LLC and Priority Metrics Group (PMG) on this report that explores the future of sustainability and flexible packaging through 2030. It provides information, knowledge, and insights related to flexible packaging and sustainability, circular economy, legislative trends, impacts to the industry along with key outcomes, and actions to enable the industry to align with circular economy principles where materials are collected, sorted, processed, and turned back into new products or packaging.

The report also provides a holistic system view of flexible packaging and sustainability while utilizing the latest insights and foresight to develop roadmaps designed for FPA members, policymakers, NGOs, consumer product companies, consumers, local municipalities, and other associations to advance sustainability and circular economy packaging efforts. The roadmaps can help guide individual members and other interested parties on approaches into the future for flexibles.



This report has a North American focus, but it should be noted that low flexible packaging recycling rates are a global issue. There are additional efforts underway around the globe to address concerns, particularly in Europe through organizations such as Circular Economy for Flexible Packaging (CEFLEX) and the U.K. Plastics Pact.

The final report was published on January 11, 2021, and the individual roadmap fact sheets were published in May 2021.

### Online Conversations Overview

The bi-annual report, prepared for FPA by The Cyphers Agency, provides information on online news conversations and social media relating to flexible packaging. The volume of coverage during January – June 2021 saw a significant increase from the July – December 2020 period, from 374 total articles to 472 total articles, largely due to an uptick in new recycling initiatives, package innovation, and the return of in-person events. However, most of this coverage, 67%, focused on two topical categories: FPA News (43%) and Packaging Innovation (23%).

### Social Media Program

Consumer-facing platforms, Facebook and Instagram, continue gaining a healthy audience to promote Perfect Packaging, garnering a total of 33,259 followers, a 22% increase. Engagement continues to be generally neutral with most seeking more information.



LinkedIn and Twitter continue to focus on industry related news, trends, and FPA updates/ announcements. The best performing content includes member achievements and technical innovations, image-driven posts, and content that engages with trending hashtags and current news.



# PROMOTION

## Influencer Outreach Program



This year, FPA continued its influencer outreach effort but also established brand partnerships who shared why they chose to design and market products in flexible packaging and their sustainability and environmental impact. In our relationships with consumer brands, including Natural Force, Walex Products, and SoChatti Chocolate, we collaboratively curated content for the Perfect Packaging blog, Go Flex, and Facebook and Instagram social content. By collectively engaging with brand social content, we expanded our reach to consumers within those channels in addition to FPAs.



Building on the influencer outreach program established in 2020, we strengthened our strategy to include more influencers who are passionate and open-minded about sharing environmentally friendly alternatives and held audiences that would benefit and engage with environmental-conscience messaging. Through 12 influencers, outreach in 2021 expanded our reach by 615K impressions, an increase of 154%, and engaged with 43K followers.



## FlexPack VOICE®

FPA continues its partnership with the YGS Group (York, PA) for the development and distribution of its official magazine, *FlexPack VOICE*®. The magazine includes FPA news specific to the Association; industry news that focuses on the industry, including the supply chain, at large; as well as showcasing member achievements in sustainable flexible packaging and technical innovations that address product protection, e-commerce, food waste, and medical safety to name a few.

Five feature sections anchor the issues: “Advocacy Corner,” describes FPA’s advocacy efforts and what it is doing to be heard at the Federal and state levels to forward the interests of the industry; “FlexAppeal®,” which highlights the benefits of flexible packaging; “FlexForward®,” which focuses on industry breakthroughs and trends; “FlexFocus®,” which features FPA members’ specific achievements in

flexible packaging; and “Above & Beyond,” that features members working in their communities and their awards. In 2021, two new sections were added to highlight the activities of the FPA Emerging Leadership Council (ELC) and the Sterilization Packaging Manufacturers Council (SPMC).

The supporting microsite, FlexPackVoice.com, includes digital copies of the magazine; additional digital exclusive articles; breaking news (a curated news feed from the e-newsletters); follow-up and expanded coverage of select articles from the print publication; video and/or audio; additional photo galleries to complement magazine content such as FlexAppeal®; key upcoming events; and a social media feed.

FPA/YGS Group is working with both our marketing firms (G&S Business Solutions and The Cyphers Agency) to increase the magazine’s social media presence and expand the distribution list.



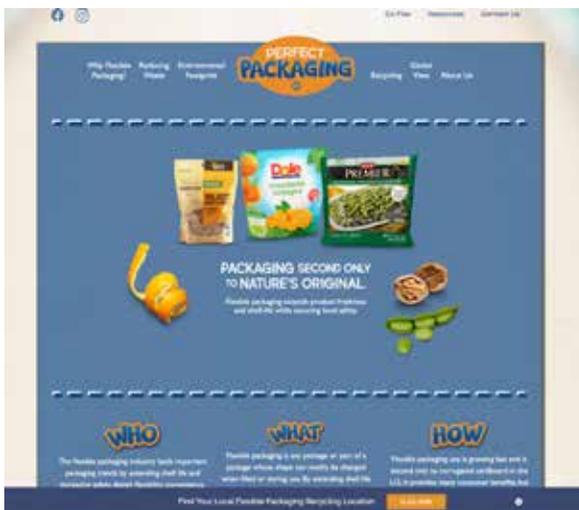
# PROMOTION

## FPA Website

The website, FlexPack.org, continues to provide members and guests with primary access to information on the Association and the flexible packaging industry. Over the past year, the site had just over 173K page views. The top 10 pages on the website include the FPA events calendar (4,550+ views), the membership directory (3,600+ views), the advantages of flexible packaging page (3,550+ views), FPA's sustainability resources (3,200+ views), and the sustainable packaging page (2,900+ views).

## FPA Consumer Website

PerfectPackaging.org, FPA's consumer-facing microsite, promotes the industry to the consumer and addresses the miscommunication about flexible packaging that is often reported. The website continues to gain momentum and consumer interest with most seeking information on recycling options, the impact flexible packaging has on the environment, and the overall reasons to consider flexible packaging. Within the past year, the site earned 30K page views, an increase of 87% over 2020.



## FPA Trade Show/Conference Participation

FPA actively serves as a thought leader for the flexible packaging industry, but due to the continuing COVID-19 pandemic, FPA trade show and conference participation was again decreased in 2021. However, Alison Keane, FPA President & CEO, was invited to present at the following meetings/conferences:

- Pet Food Institute's (PFI) Sustainability Committee (virtual webinar), December 14, 2021
- IME East/East Pack, December 7, 2021
- Stretch & Shrink Film US 2021, November 29-December 1, 2021
- Council of State Retail Associations (CSRA), August 18, 2021
- National Confectioners Association (NCA) Leadership Summit, July 20, 2021
- Global Pouch Forum, June 8, 2021
- Center for Baby and Adult Hygiene Products (BAHP) Sustainability Trends iPackaging, (virtual webinar), June 17, 2021
- SPC Impact, April 20, 2021
- Color Pigment Manufacturers Association (CPMA) Packaging Trends, (virtual webinar), February 23, 2021
- Presidential Forum: Economic Outlook 2021 and Beyond – a Multi-Association Perspective, (virtual webinar), February 11, 2021
- AWA Insights Forum Industry Leadership & Executive Forum: Reflections on the Packaging Industry in a Post COVID World, January 26, 2021

FPA exhibited at the following events in 2021:

- NCSL Legislative Summit, November 3-5, 2021
- PACK EXPO Las Vegas, September 27-29, 2021
- SNAXPO, August 23-24, 2021
- SPC Engage 2021 (virtual booth), July 20-22, 2021

### **Flexible Packaging Achievement Awards Competition**

FPA announced the winners of its 65th Annual Flexible Packaging Achievement Awards Competition, which features flexible packaging solutions that meet expectations and needs through advancements in materials, graphics, structure, new uses, extended shelf life, and sustainability. Due to the ongoing COVID-19 pandemic, the 2021 awards announcement was held virtually on March 10, 2021, during a YouTube Premiere. To date, the awards video has over 1,400 views.

In 2021, 75 package entries were submitted to the competition, with a total of 201 entries (some packages were entered into multiple categories). Twenty flexible packages were honored with 27 Flexible Packaging Achievement Awards in various categories.

Technical innovation and sustainability continued to be a focus of the competition. Two increasing trends seen for the 2021 competition were the increase in international entries and companies focusing on user experience for packaging. The printing quality of the entries was also remarked on by the judges.

Special thanks are given to the 2021 competition judging panel: Cory Francer, Editor-in-Chief, *Packaging Impressions*; David Luttenberger, Global Packaging Director, Mintel Group Ltd.; and Keith Vorst, Ph.D., Director, Polymer and Food Protection Consortium, Iowa State University.

# PROMOTION

## Highest Achievement Award

### Crunch Pak's Toy Story Lunch Kit

Gold Award – Technical Innovation

Manufacturer: American Packaging Corporation,  
[www.americanpackaging.com](http://www.americanpackaging.com)



## Gold Achievement Awards

### Amcor's Dual Chamber Pouch

Gold – Technical Innovation

Manufacturer: Amcor Flexibles, [www.amcor.com](http://www.amcor.com)



### Arbor Teas Organic Tea

Gold – Sustainability

Manufacturers:

Polykar,

[www.polykar.com](http://www.polykar.com)

Futamura USA, Inc.,

[www.futamuragroup.com](http://www.futamuragroup.com)

Eagle Flexible Packaging,

[www.eagleflexible.com](http://www.eagleflexible.com)



### Chameleon™ For Tyvek®

Gold – Expanding the Use of Flexible Packaging  
Manufacturer: PAXXUS, Inc., [www.paxxus.com](http://www.paxxus.com)



### Hunter's® Gourmet – Quinoa Chips

Gold – Packaging Excellence  
Gold – Printing  
Gold – Shelf Impact  
Manufacturer:  
Emirates Printing Press, L.L.C.  
[www.eppdubai.com](http://www.eppdubai.com)



### Industrial Compostable Coffee Pod Lidding & Mother Bag

Gold – Sustainability  
Manufacturer: TC Transcontinental Packaging  
[www.tctranscontinental.com/packaging](http://www.tctranscontinental.com/packaging)



### Infused Face Mask

Gold – Self Impact  
Manufacturers: Karlville, [www.karlville.com](http://www.karlville.com)  
The Packaging Lab, [www.pkglab.com](http://www.pkglab.com)



# PROMOTION

## Nutra Dates 3D Pouch

Gold – Printing

Manufacturer: Emirates Printing Press, L.L.C.

[www.eppdubai.com](http://www.eppdubai.com)



## Shield Pack® Clear High Barrier Aseptic IBC Liner

Gold – Technical Innovation

Manufacturer: Amcor Flexibles, [www.amcor.com](http://www.amcor.com)



## Ruffles® Lime and Jalapeño Anthony Davis Bags

Gold – Packaging Excellence

Gold – Printing

Gold – Shelf Impact

Manufacturer: Printpack

[www.printpack.com](http://www.printpack.com)



## Volga Shahi Gold Pouch

Gold – Printing

Manufacturer: Emirates Printing Press, L.L.C.

[www.eppdubai.com](http://www.eppdubai.com)



## Silver Achievement Awards

### 50% Recycled Content Multi-Use E-Commerce Mailer

Silver – Packaging Excellence

Silver – Sustainability

Manufacturers:

Berry Global, [www.berryglobal.com](http://www.berryglobal.com)

PAC Worldwide Corporation, [www.pac.com](http://www.pac.com)



### Amazon Tea Stand-up Pouch

Silver – Printing

Manufacturer: Emirates Printing Press, L.L.C.

[www.eppdubai.com](http://www.eppdubai.com)



### Aunt Millie's Live™ Organic Biovantage™ Bakery Bag

Silver – Sustainability

Silver – Technical Innovation

Manufacturer: Berry Global

[www.berryglobal.com](http://www.berryglobal.com)



### Brookside Hershey's Exotic Dark Pouch

Silver – Technical Innovation

Manufacturers:

Paharpur 3P, [www.paharpur3p.com](http://www.paharpur3p.com)

Hershey India Private Ltd.

[www.thehersheycompany.com/en\\_in/hershey-india.html](http://www.thehersheycompany.com/en_in/hershey-india.html)



# PROMOTION

## CaPao Cacaofruit Smoothie Balls

Silver – Shelf Impact

Manufacturer: ProAmpac, [www.proampac.com](http://www.proampac.com)



## Reset360 Large Format Protein Pouch

Silver – Printing

Manufacturer: Nosco, [www.nosco.com](http://www.nosco.com)



## Krakatoa Hot Chips, 6.7 oz.

Silver – Shelf Impact

Manufacturer: Printpack, [www.printpack.com](http://www.printpack.com)



## Smithfield Prime Fresh Delicatessen

Silver – Expanding the Use of Flexible Packaging

Manufacturer: Berry Global  
[www.berryglobal.com](http://www.berryglobal.com)



## Numi Tea

Silver – Sustainability

Manufacturers:

Plastic Suppliers, Inc., [www.plasticsuppliers.com](http://www.plasticsuppliers.com)

Elk Packaging, [www.elkpackaging.com](http://www.elkpackaging.com)



## Flexible Packaging Student Design Challenge

The newly created Emerging Leadership Council (ELC) is now overseeing the Student Flexible Packaging Design Challenge and judged the 2021 competition. For the competition, FPA received 31 concept outlines from some of the top packaging design programs across the United States. From the concept outlines submitted, 13 were selected to continue to the development phase.

This year's first and second place winners were teams of students from the University of Wisconsin – Stout under the direction of Gary Borges. There were also three honorable mentions awarded for the 2021 competition.

## First Place Honors

### Baby Shampoo and a Cup

Student Team: Caylee Boone, Abbey Dahlseng, Liam Gallagher, and Anna Kent

School: University of Wisconsin-Stout

Professor: Gary Borges, Lecturer



## Second Place Honors

### Band-Assist Bandages

Student Team: Connor Erwin, Corey Klatt, and Ben Lindgren

School: University of Wisconsin-Stout

Professor:

Gary Borges, Lecturer



## Honorable Mention

### Peelable and Resealable Popcorn Gusseted Pouch

Student Team: Caylee Boone, Abbey Dahlseng, Liam Gallagher, and Anna Kent

School: University of Wisconsin-Stout

Professor: Gary Borges, Lecturer



### Flexible Travel Shampoo & Conditioner

Student Team: Connor Erwin, Corey Klatt, and Ben Lindgren

School: University of Wisconsin-Stout

Professor: Gary Borges, Lecturer



### Running Water – Water for Runners

Student: Jai Araujo

School: San José State University

Professor: Xiaojing (Kate) Liu, Ph.D., Assistant Professor



# INDUSTRY DATA

The U.S. flexible packaging industry is projected at \$34.8 billion in annual sales based on FPA's *State of the Flexible Packaging Industry Report (SOI)* for 2021. Flexible packaging has grown steadily, including packaging for retail and institutional food and non-food, medical and pharmaceutical, industrial materials, shrink and stretch films, retail shopping bags, consumer storage bags, and wrap and trash bags, and is projected to continue to grow.

Flexible packaging represents 19% of the total \$183 billion U.S. packaging industry and is the second-largest packaging segment behind corrugated paper, and just ahead of bottles and miscellaneous rigid plastics packaging. Flexible packaging's solid long-term strength coupled with flexibles' ability to replace other packaging formats has resulted in the growth of flexible packaging, increasing from 17% in 2000 to the current level of 19% in 2021.

The Flexible Packaging Association's (FPA) data and reports enable members to benchmark their performance in the industry and gain helpful insight to assist them in growing their business.

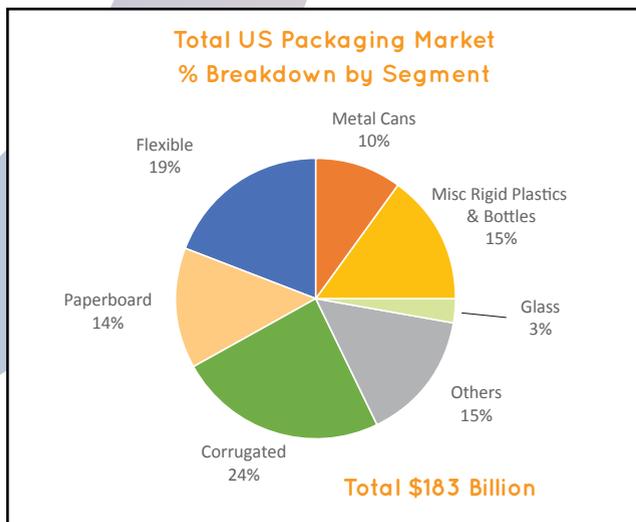
FPA maintains industry statistics and updates reports as data changes. Thus, continued dialog with the U.S. Census Bureau, including reviewing data releases in connection with the Census Bureau's Annual Survey of Manufactures (ASM), and evaluating detailed long-term consistency by FPA is ongoing.

FPA bases its annual SOI report on data from flexible packaging converters and suppliers. The surveys were conducted early in 2021 and covered actual data for 2020 and projections for 2021. The COVID-19 pandemic affected this year's report and delayed responses from both converters and suppliers who were dealing with staffing and production issues driven by the pandemic.

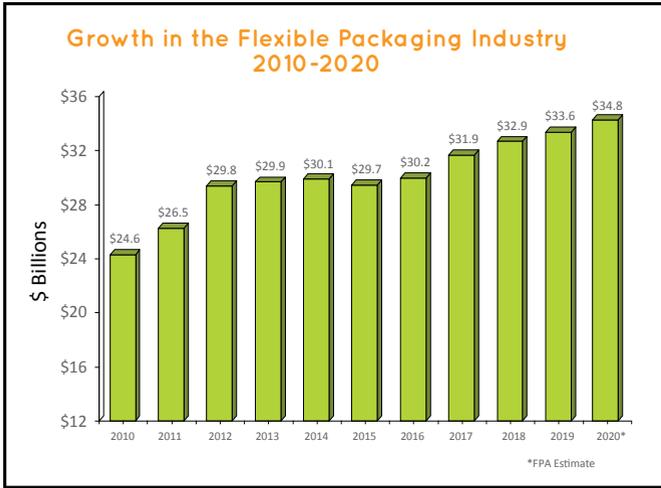
The industry also faced major product mix, raw material, and supply chain issues. However, in meeting those challenges, the industry saw profitability improve. Some industry companies saw lower sales by volume, yet they saw increases in dollar volume as 2020 passed.

## State of the Flexible Packaging Industry Report (SOI)

The annual *State of the U.S. Flexible Packaging Industry Report (SOI)* is a definitive source of data and information and is utilized by industry converters, suppliers, investors, and analysts. The report examines several aspects of the U.S. flexible packaging industry, including sales and utilization levels, current profit trends, capital spending plans, industry M&A activity, projected growth areas, U.S. imports and exports, and end-use application information. The 2021 SOI is the 30th year FPA has produced an annual SOI report. The 2021 report was distributed to members via email with a link to the document (PDF) in early December.



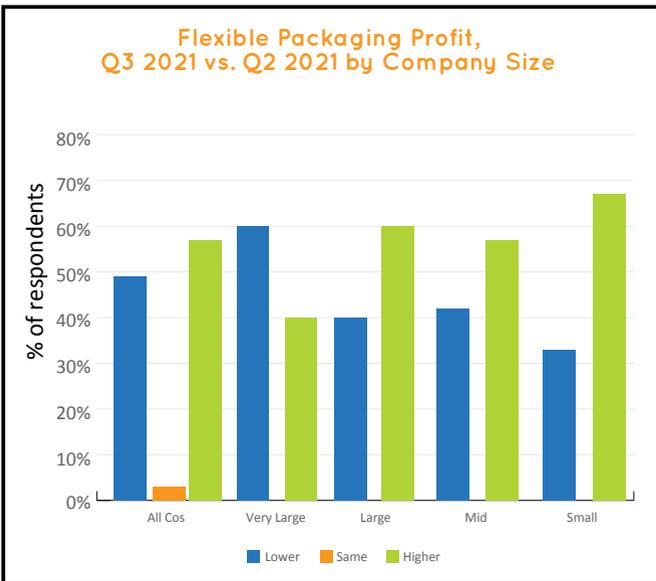
Source: Statistica



Source: U.S. Census Bureau and Flexible Packaging Association

### Pulse of the Industry Report

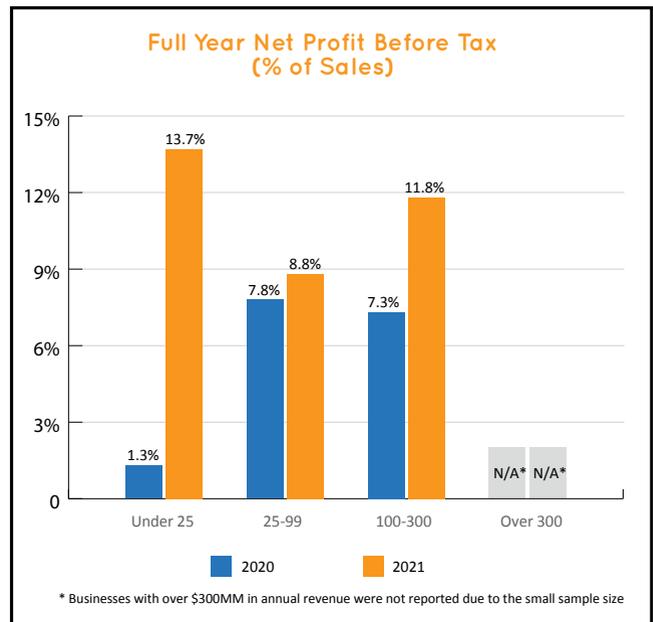
Published quarterly, the *'Pulse of the Industry' Report* examines industry performance for net sales, profitability, inventory levels, volume, capital spending, and capacity utilization. The most recent report from the 3rd quarter of 2021, showed survey results for “all companies” indicating that 57% of the participating companies reported higher profitability in 3Q '21 vs 2Q '21, paced by large, medium, and small companies. Only very large companies as a category reflected lower profitability compared to 2Q '21.



Source: Flexible Packaging Association

### Earnings Report

Published semi-annually, the *Earnings Report* includes expense and manufacturing cost information with a primary emphasis on sales, expenses, asset productivity, and profitability performance with year-on-year, as well as second and fourth quarter comparisons. According to the 2nd Quarter 2021 report (the most recent available), for the full years of 2020 and 2021, businesses of all sizes reported improving financial performance. Year-to-date pre-tax net profit for businesses of less than \$25MM in revenue were 1.3% in 2020 and skyrocketed to 13.7% in 2021. Businesses with between \$100 and \$300 million in annual revenue also saw dramatic gains in pre-tax net profit, growing from 7.3% in 2020 to 11.8% in 2021. Businesses with over \$300MM in annual revenue were not reported due to the small sample size. The report is only available to FPA converter members who participate in the corresponding survey.

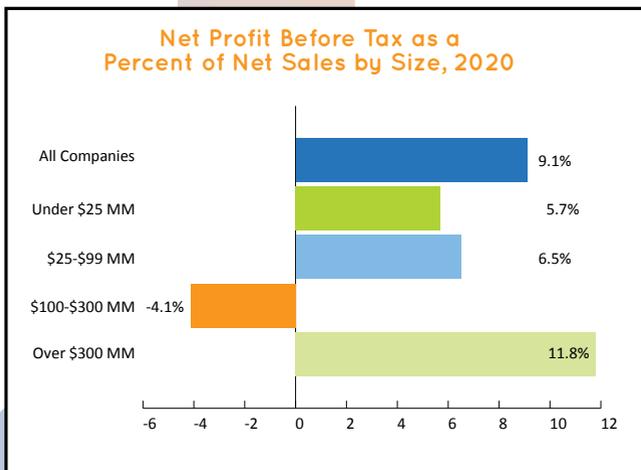


Source: Flexible Packaging Association

# INDUSTRY DATA

## Operating Cost/Ratios Report

The annual *Operating Ratios Report* provides information on key operating factors, including cost component information on labor; sales, general, and administrative expenses; materials and other manufacturing; receivables aging; capital spending; and inventory turnover. For the *2020 Operating Ratios Report*, the most recent report available, companies with sales over \$300 million posted the highest average net profit before tax as a percent of 2020 net sales at 11.8%, above the composite results for all companies of 9.1% in 2020. Companies with sales between \$100 and \$300 million reported a net loss of (4.1%) compared to a 5.7% net profit before tax for companies with under \$25 million in sales, and a 6.5% net profit before tax for companies with sales between \$25 and \$99 million. The report is only available to FPA converter members who participate in the corresponding survey.

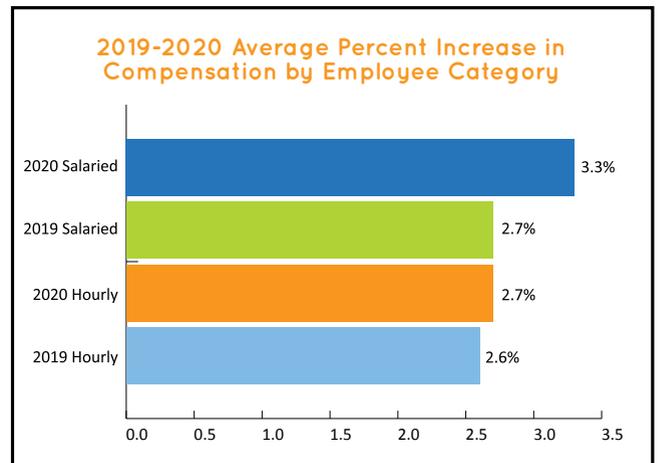


Source: Flexible Packaging Association

## Flexible Packaging Industry Compensation Report

The annual *Compensation Report* provides information on flexible packaging industry salary levels and hourly rates by company/plant size, region, and primary manufacturing operations. According to the most recent report available, the *2020 Flexible Packaging Industry Compensation Report*, the majority of respondents to the survey were large converters with annual net sales of \$100 million or more (29%) or mid-sized converters with annual net sales of \$25-\$99 million (50%). Smaller converters that have under \$25 million in annual net sales represented 21% of respondents. Forty-one percent of companies consider their primary manufacturing operation to be multi-web converting.

All participating companies (100%) provide a prescription drug plan and life insurance to both hourly and salaried employees. Dental coverage is provided to 100% of salaried and 96% of hourly employees.



Source: Flexible Packaging Association

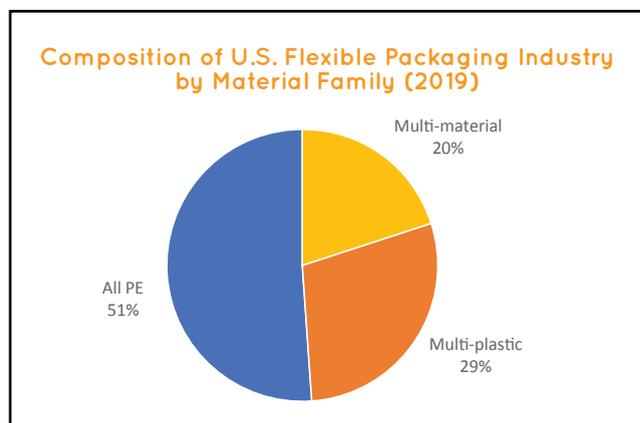
The 2020 average percent increases in compensation given, by type of employee, is 3.3% for salaried employees and 2.7% for hourly workers.

Forty-three percent of participating companies compensate their sales force with a salary plus commission method, while 30% use a salary plus bonus method, which are the two most popular sales force compensation methods.

2020 sales representatives' commissions were primarily based on two formulas: fixed commission rate on total sales volume (35% of companies), and sales in excess of predetermined goals (35% of companies). The report is only available to FPA converter members who participate in the corresponding survey.

### Flexible Packaging U.S. Market Profile & Segmentation Report

The FPA *Flexible Packaging U.S. Market Profile & Segmentation Report* provides a profile of the U.S. flexible packaging market size (both in volumes and revenue) and composition by material for various flexible packaging categories including bags, wrappers, stand-up pouches, retort pouches, lidding, shrink sleeves and labels, shrink wrap, stretch films, retail carry bags, storage and trash bags, and medical packaging. It is important to note the report covers the year 2019—before the pandemic began.



Source: PTIS, LLC and the Flexible Packaging Association

The report was developed by PTIS, LLC and the primary authors are Dave Benzschawel and Danny Beard, who have more than 75 years of combined experience in flexible packaging. PTIS is a respected consulting agency in the U.S. with numerous leaders and consultants with specific areas of expertise in all facets of packaging.

The report estimates the size of the U.S. flexible packaging market as 25.25 billion lbs. worth \$34.8 billion in USD for the year 2020. In aggregate, the value of the U.S. flexible packaging market grew at a compound (2012-2019) annual growth rate of 3.4%. Segments currently enjoying high growth rates are stand-up pouches, flow wraps, and single-serve packages (such as ready-to-eat fruits, yogurt, and Ready to Eat (RTE) tray meals). The advantages these segments demonstrate over alternative packaging formats is that they provide opportunities for flexible packaging users, including:

- Excellent retail display (multi-color graphics and total billboard area)
- Good shelf life (hermetic seals impermeable to environmental elements, like odors)
- Processing and packaging efficiencies (less packaging volume to store and process from rollstock)
- Enhanced safety (tamper evidence)

# INDUSTRY DATA

For the report, the different package format categories were broken into 3 distinct material subsections, which are reflected throughout the report:

- All-polyethylene (PE) based films (which may qualify for recycling through store drop-off programs or other mechanical recycling programs). Examples of these would include bread bags, overwraps for paper products, and cereal liners.
- Multi-plastic based films – these consist of multiple types of plastics coextruded or laminated together for a structure. Examples in this category include most stand-up pouches and lay flat bags used in confectionery products.
- Multi-material films – these often consist of plastic, along with other materials such as foil, paper, PET, etc. These materials are laminated together. Examples include paper/plastic chip bags, lidding for apple sauce or yogurt cups, and multi-wall bags (paper and plastic).

## FPA/IHS Markit Polyolefin Market Reports and Webinars



The bi-annual FPA polyolefin market reports examine key issues expected to influence the cost and availability of flexible packaging materials. IHS Markit prepares the reports and presents on both polypropylene and polyethylene at the Annual Meeting and Fall Executive Conference and conducts periodic webinars exclusively for FPA members.

One webinar, held on July 28, 2021, “Nylon Film Market for Packaging,” discussed the nylon market and its implications for flexible packaging. It included an introduction to nylon as one of the first synthetic thermoplastics; an overview of the chemistry and process for making nylon; and global and regional

supply and demand for nylon film applications.

The “Polyolefin Plastomers and Elastomers” webinar held on November 16, 2021, discussed the polyolefin plastomer (POP) and elastomer (POE) market. The webinar included an introduction to POP/POE applications and grades; an overview of the technology used to produce the resins; suppliers and capacity; global and regional supply/demand/trade; and highlighted key issues.

## Global Trends in Flexible Packaging, Euromonitor International



FPA partners with Euromonitor to provide further market data and information to its members. Euromonitor’s worldwide database provides current and forecasts data on packaging units in all segments of the industry. FPA takes limited extracts from the intelligence and incorporates the data into new reports or other original material, including the annual *State of the U.S. Flexible Packaging Industry Report*.

FPA and Euromonitor developed the Flexible Packaging Market Tracker that features 20 key flexible packaging country markets and highlights market dynamics, trends, and opportunities to expand business internationally.

The Market Tracker pulls insights directly from Euromonitor’s proprietary data system, known as “Passport,” that provides data on industries, economies, and consumers worldwide, helping to analyze market context and identify future trends.

The tracker is a customized research tool available only to FPA members to enhance the FPA website and tracks and compares flexible packaging markets around the globe to help members better

understand, prioritize, build business cases, and capture global market opportunities for flexible packaging. It enables members to access market information from around the globe, not only on flexible packaging materials and markets but non-flexible markets as well. It also helps FPA members understand the global packaging landscape, identify prospects for new technical packaging development, and pinpoint where growth opportunities lie.

The Market Tracker was recently updated with the most recent market data available. The update also included information on COVID-19 impacts and recovery projections for the industry. In the dedicated “Recovery from COVID” section, members can view an overview of COVID-19 conditions; the impact of COVID-19 on the gross domestic product (GDP); the impact on sector growth; and the impact on the flexible packaging market. Since times are still uncertain in the wake of the pandemic and the economic landscape is changing rapidly, the COVID section is updated quarterly, while the main market tracker data is updated annually.

## Industry Intelligence Inc. Supply Chain Report



Due to the unprecedented global supply chain challenges across our industry, FPA is partnering with Industry Intelligence Inc. on the daily *Supply Chain Report* to help keep a pulse on supply chain news and insights. Industry Intelligence produces and sends a custom report to the key contacts of each member company that is focused on technology, future supply chain disruptions, consumer trends, security, sourcing, and the economy. Both FPA and Industry Intelligence believe that access to timely and relevant information is critical in today’s business environment.

## International Markets



# NETWORKING

## FPA Annual Meeting

Due to the ongoing pandemic, the 2021 Annual Meeting was rescheduled to September from March, and held at the Ritz-Carlton, Amelia Island, Florida. It was the only in-person FPA meeting for the year. In 2022, FPA will return to its regular meeting schedule of the Annual Meeting in the spring and the fall Executive Conference.

The FPA Annual Meeting is a two-day conference that offers education and networking opportunities for industry leaders and senior management. The content-rich agenda focuses on industry-specific issues including challenges and opportunities, while also allowing time for networking activities, that this year included a golf tournament and a coastal themed networking party.



Attendees at the Annual Meeting 1st Time Attendee Reception



Attendees at the Annual Meeting Welcome Reception



Attendees at the Annual Meeting Coastal Themed Networking Party



Attendees at the Annual Meeting

During the first General Session, content included presentations from Kathy Bolhous, Chairperson & CEO, Charter Next Generation and Chairperson of the FPA Board of Directors who presented on the state of the U.S. flexible packaging industry; Peter Sheahan, Founder & Group CEO, Karrikins Group who discussed leading transformation; Sara Coyle and Sumner Farren, Managing Directors, Rothschild & Co who spoke on industry mergers and acquisitions; Joel Morales, Jr., Executive Director, Polyolefins Americas, IHS Markit who gave an update on the polypropylene market; and Jonathan Quinn, Director of Market Development and Sustainability, Pregis who provided an update on the Emerging Leadership Council (ELC) activities.

The second General Session included two panels: an extended producer responsibility (EPR) panel and an advanced recycling panel. The EPR panel was moderated by FPA President & CEO, Alison Keane, and included presentations from Lauren Aguilar, Government Affairs Associate, Serlin Haley; Andy Hackman, Principal Lobbyist, Serlin Haley; Stephanie Potter, Sr. Manager Corporate Affairs, Nestlé USA; and Phil Rozenski, Vice President of Public Affairs, Novolex.

The advanced recycling panel, moderated by Kathy Bolhous, Chairperson & CEO, Charter Next Generation and Chairperson of the FPA Board of Directors, included presentations from Craig Cookson, Senior Director of Plastics Sustainability, Plastics Division, American Chemistry Council; Elizabeth Rhue, Staff VP of Global Sustainability, Sonoco; and Dr. Bruce Welt, Professor and Coordinator, Packaging Engineering Program, University of Florida.

Meeting attendees also heard from David McKnight, VP, Business Relations and Partnerships, The Manufacturing Institute, who discussed workforce development.



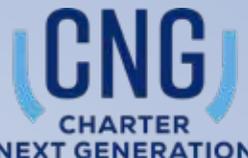
Golf tournament participants at the Annual Meeting

## Thank You to our 2021 Sponsors

FPA would like to thank our sponsors for 2021 for their generous contributions and support in helping to make our meetings successful!



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**Annual Meeting Golf Tournament Sponsors:**

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### **Dhuanne Dodrill**

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### **Bill Jackson**

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Executive Committee Member at Large

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### **Kevin Kelly**

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### **Erik Keracik**

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### **Francois Olivier**

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### **Chris Parrilli**

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**Geoff Peters**  
Wikoff Color Corporation

**Brad Schwartz**  
Constantia Flexibles

**Ken Swanson**  
Liquibox

**Andrew Wheeler**  
Windmoeller & Hoelscher  
Corporation

## 2021 Chairperson's Advisory Council

**Evan Arnold**  
Glenroy, Inc.

**Eric Erickson**  
Kendall Packaging Corporation

**Catherine Heckman**  
Ashland

**Marc Leclair**  
St. Johns Packaging, Ltd.

**David Nunes**  
Hosokawa Alpine American, Inc.

**Chris Osborn**  
Amcors Flexibles

**Jonathan Quinn**  
NOVA Chemicals, Inc.

**Madeleine Robinson**  
LPS Industries, LLC

**Fredy Steng**  
Berry Global

**Chris Thomazin**  
Polymer Packaging, Inc.

**Adrienne Tipton**  
Novolex



Glenn Harsh and Kathy Bolhous from Charter Next Generation

## Emerging Leadership Council (ELC)

**Jonathan Quinn**  
NOVA Chemicals, Inc.  
Co-Chairperson

**Adrienne Tipton**  
Novolex  
Co-Chairperson



From left to right: Stan and Paula Bikulege, Novolex; and Curt Begle, Berry Global



The Advanced Recycling Panel moderated by Kathy Bolhous, Charter Next Generation and Chairperson of the FPA Board of Directors

# MEMBERSHIP

## Mission Statement

The Flexible Packaging Association is a strategic organization and the voice of the “value-added” segment of the U.S. flexible packaging industry. The mission includes facilitating industry advancement and providing a forum for industry leaders. This mission will be accomplished through meeting the strategic goals of:

Promoting and protecting the benefits, contributions, and advantages, including the sustainability of the value-added segment of the flexible packaging industry.

Researching, collecting, analyzing, and providing FPA members easy access to industry data and market information to help members benchmark and recognize trends and opportunities.

Providing representation and advocacy for the flexible packaging industry before stakeholders, including government, retailers, customers, and consumers.

Providing educational and networking opportunities for industry leaders.

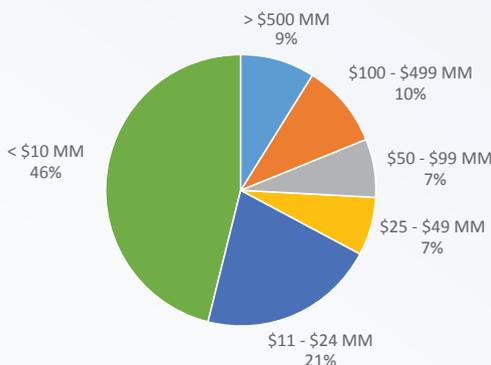
## Membership

Trade shows and events started to open in August and FPA was present. With the rise of the various COVID variants, trade show attendance fluctuated greatly. Despite this, FPA membership increased and the recruitment for new members continues.

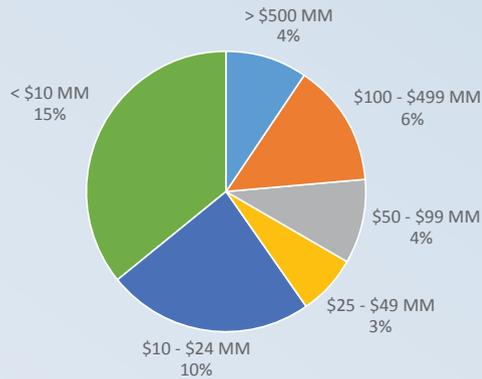
## Breakdown of 2021 FPA Membership



## Member Companies as of December 2021 - 178



## Converter Member Breakdown



## Associate Member Breakdown



## 2021 FPA Membership

### Converter Members

AccuFlex Packaging  
 Admiral Packaging, Inc.  
 Advanced Converting Works  
 Advanced Web Technologies – Illinois, Inc.  
 AeroFlexx  
 Amcor Flexibles  
 American Packaging Corporation  
 AMGRAPH Packaging, Inc.  
 Beacon Converters, Inc.  
 Belmark inc  
 Berry Global  
 Bryce Corporation  
 Catty Corporation  
 Celplast Metallized Products Limited  
 CL&D Graphics  
 Color Ad Packaging Ltd.  
 Constantia Flexibles  
 C-P Flexible Packaging  
 Emerald Packaging, Inc.  
 FILMtech Inc.  
 First Quality Print & Packaging LLC  
 Flex Films (USA) Inc.  
 Glenroy, Inc.  
 Hart Flex Pack  
 INDEVCO Plastics  
 Inland  
 Integrated Plastics Packaging

JBM Packaging  
 Kendall Packaging Corporation  
 Liquibox  
 Louisiana Plastic Industries  
 LPS Industries, LLC  
 Max Katz Bag Company, Inc.  
 Minipak SAS  
 Mondi Jackson LLC  
 Nosco  
 Novolex  
 PAC Worldwide Corporation  
 PAXXUS, Inc.  
 Phenix  
 Plastic Packaging Technologies, LLC  
 Poly Print, Inc.  
 Polymer Packaging, Inc.  
 Polymerall Flexible Packaging  
 PPC Flexible Packaging  
 Prime Packaging, LLC  
 Printpack  
 ProAmpac  
 Rol-Vac, LP  
 Sealed Air Corporation  
 Sealstrip Corporation  
 Sonoco Flexible Packaging  
 Southern Graphic Systems LLC  
 St. Johns Packaging Ltd.

# MEMBERSHIP

## Converter Members continued

SteriPax  
Südpack Oak Creek Corporation  
SunFlex Packagers Inc.  
Taylor Prime Labels & Packaging Group  
TC Transcontinental Packaging  
Technipaq, Inc.  
Vonco Products, LLC  
Zacros America, Inc.

## International Converter Members

Emirates Printing Press, L.L.C.  
Markenburg International Foods Corporation  
Paharpur 3P  
Películas Plásticas S.A. de C.V.  
Polykar  
Productos Alimenticios Bocadeli S.A. de C.V.

## Associate Members

ACS Group  
ACTEGA  
ALLIEDFLEX Technologies, Inc.  
Allstein GmbH  
Ampacet Corporation  
Ashland  
Avery Dennison Corporation  
B&B Packaging Technologies L.P.  
Bamberger Polymers, Inc.  
Bobst North America Inc.  
Bostik, Inc.  
Charter Next Generation  
Chevron Phillips Chemical Company LP  
CleanPlanet Chemical, Inc.  
Cloeren Incorporated  
CMD Corporation

Coim USA, Inc.  
Comexi North America, Inc.  
Cosmo Films Limited  
Davis-Standard, LLC  
Dow  
DuPont  
Dürr Systems, Inc.  
EFI  
Elplast America  
Energy Sciences, Inc.  
ExxonMobil Chemical Company  
Filmquest Group, Inc.  
Flint Group  
Formosa Plastics Corporation, U.S.A.  
Fujifilm North America Corporation,  
Graphic Systems Division  
H.B. Fuller  
Harper Corporation of America  
Henkel Corporation  
Hosokawa Alpine American, Inc.  
HP, Inc.  
INX International Ink Co.  
ISOFlex Packaging  
Kao Collins Inc.  
Karlville  
Koenig & Bauer Flexotecnica  
Kuraray  
Lako Tool & Manufacturing, Inc.  
Lubrizol Advanced Materials  
LyondellBasell  
MacDermid Graphics Solutions  
Mamata Enterprises, Inc.  
Maxcess International

Mica Corporation  
Michelman  
Mid South Extrusion  
Miraclon, Home of Kodak Flexcel Solutions  
Mitsubishi Chemical America, Inc.,  
Polyester Film Division  
Morchem, Inc.  
NDC Technologies  
Nordmeccanica, NA  
Nordson Corporation - PPS  
NOVA Chemicals, Inc.  
Paper Converting Machine Company (PCMC)  
Pearl Technologies Inc.  
Plastic Suppliers, Inc.  
PolyExpert Inc.  
Polyplex USA, LLC  
Preco, Inc.  
Pregis  
Presto Products Company FRESH-LOCK®  
Zipper Unit  
Profol  
Reifenhauser Inc.  
RKW North America, Inc.  
SABIC  
Screen GP Americas, LLC  
Ship & Shore Environmental, Inc.  
Shoplogix  
Siegwerk USA Inc.  
SKGC – Americas  
Smart Plastic Technologies LLC  
Sun Chemical Corporation  
Sung An Machinery Company, Ltd. (SAM)  
Terphane LLC

Toppan USA, Inc.  
Toyo Ink America, LLC  
TOYOBO U.S.A., INC  
Transcendia  
UBE America Inc.  
UTECO North America, Inc.  
Westlake Chemical Corporation  
Wikoff Color Corporation  
Windmoeller & Hoelscher Corporation

#### **Academic Members**

California Polytechnic State University  
Clemson University  
Fox Valley Technical College  
Indiana State University  
La Roche College  
Michigan State University School of Packaging  
Missouri University of Science and Technology  
Murray State University  
Pittsburg State University  
Rochester Institute of Technology  
Rutgers, the State University of New Jersey  
San José State University Packaging Program  
University of Florida  
University of Wisconsin – Stout  
Washington State University

#### **Trade Press Members**

BNP Media  
Converting Quarterly  
Converting Solutions Magazine, a PFFC Brand  
Industry Intelligence Inc.  
Packaging Impressions  
Packaging World

# WHAT'S TO COME

In 2022, FPA will continue to implement its strategic plan instituted in 2020. This includes new staffing, membership categories, business and industry information, and advocacy and promotion tools. We will use this to “Unite for Flexibles!”

## Advocacy

2022 will no doubt bring another unprecedented year of legislation impacting packaging. FPA worked hard with Connecticut, Maryland, and Vermont to come up with a producer responsibility bill for packaging that we can support. States to watch, with bills that we have not had as much influence over, are California, Washington, New York, and Colorado. In addition, California has a ballot initiative that would institute a fee on plastic packaging to support recycling and clean-up efforts. This could pass in November with the state elections, in addition to or in lieu of legislation at the state house. FPA continues to

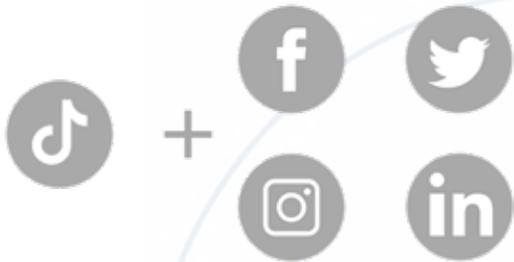
advocate for fair, sensible legislation that will stabilize the current system and fund modernization of the U.S. recycling infrastructure to afford all packaging a path to circularity and eliminate the threat of bans.

On the federal front, FPA will continue to work with Congress and the EPA on strategies and funding for full circularity for flexibles. This includes a renewed effort to educate and promote the sustainability benefits of flexible packaging and its importance in all aspects of health, safety, and the environment. FPA will also look to educate and inform the Federal Trade Commission in its update of the “Green Guides,” which dictate consumer claims for products and packaging. The work on both fronts is with the goal of harmonization and not a state-by-state patchwork of labeling, collection, and recycling for packaging materials.



## Promotion

Influencer campaigns will continue and in keeping with the theme of being where the conversation is, TikTok will be added to FPA's social media list. New membership categories will enable promotion with our supply chain partners and FPA will be looking for new examples in 2022 to continue our lifecycle benefits of flexible packaging work, with for example, pet food packaging and confectionery packaging.



## Industry Data

FPA surveyed the membership in 2021 regarding all our data collection efforts and corresponding reports. A path forward to update and upgrade the surveys and reports will be presented to the Board in March with the hope of instituting some or all the recommendations for the 2022. One of the recommendations will be a campaign to entice more membership participation in our surveys so that our data is more diverse and robust. It was clear from the survey that the membership uses our reports and depending on company size and position, the need changes; so FPA will be taking steps to better tailor our industry data for ease of use, while adding more value to each report.

## Sustainability

Harmonization and a suite of scalable technologies is also needed for end-markets for recycled flexible packaging. Work with the University of Florida's Consortium for Waste to Circularity continues as well as work with the Recycling Partnership's Film and Flexibles Coalition. In 2022, there will be a new focus on instituting the policies outlined in the EPA's National Recycling Strategy, as well as ensuring the monies set aside in the infrastructure bill for recycling are distributed and utilized to harmonize and modernize the U.S. recycling systems and not just maintain the status quo.





**FPA**<sup>™</sup>

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