JUNE 2016

MULTI INDUSTRY

The Multi-industry sector

KEY FIGURES

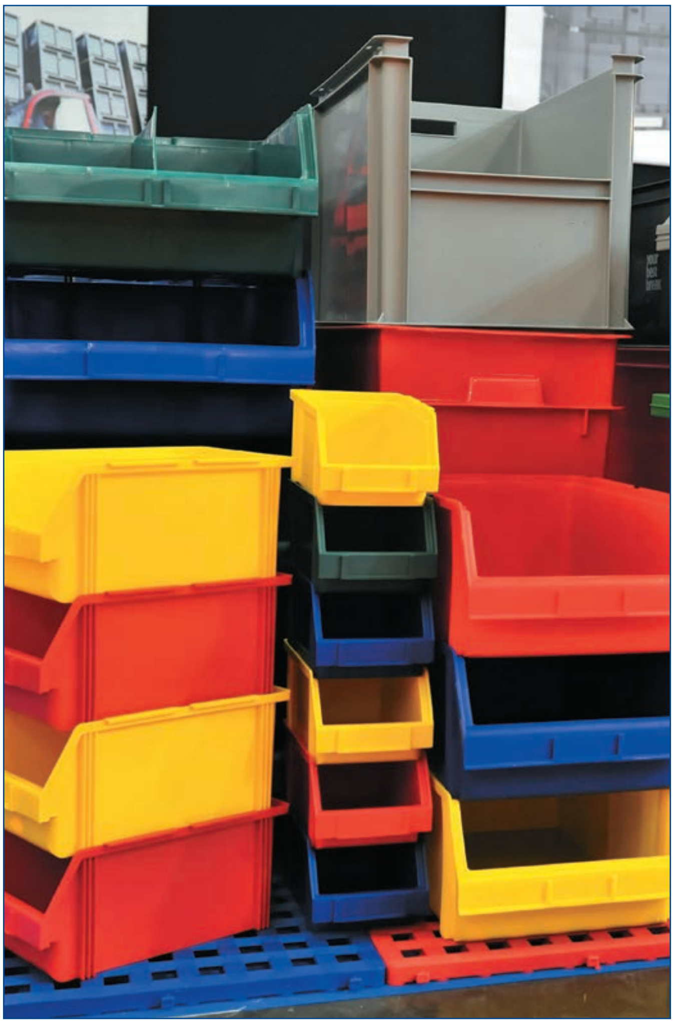
EU (2012): 2,100,000 companies
FRANCE (2014): 226,374 legal units

EU (2012): 30 million employees
FRANCE (2014) : 2.7 million direct jobs

EU (2012): Turnover: €7,080 billion
FRANCE (2014): Turnover: €877.3 billion, 11.2% of the European manufacturing industry

EXPORT
FRANCE (2014): €401.5 billion

Europe sources: Eurostats, France: Key figures, Manufacturing industry, 2015 edition, Directorate General for Enterprise and Industry



ECONOMIC BACKGROUND

In 2014, in **the United States**[1], manufacturing production rose again by 3.5% (2.6% in 2013), driven by the automotive sector and increased competitiveness resulting from the small increase in wages and the lower cost of energy (shale gas). This growth was boosted by a large increase in household consumption.

Manufacturing production increased to different extents **in Asia.** Growth in Japan was 2.1%, in South Korea 0.5% and in China 8.3% (as against 9.7% in 2013).

In the **European Union**, production in the manufacturing industry recovered (+2.2% in 2014 against -0.5% in 2013), supported by German production (1.9%), Spanish production (1.9%), British production (+3.1%) and Central European countries.

In France, the manufacturing industry contributed 10% to the country's GDP in terms of added value (20.4% in the case of Germany). The very favourable context of the decrease in oil prices and the depreciation of the Euro enabled manufacturing production to stabilise in 2014 after two years of decline (-1.1% in 2013 and -3.4% in 2012). However, it is still 5% below the level reached in early 2011, after the upturn of 2010. The biggest areas of growth are the automotive and chemical industries and production of machines and equipment.

1. Source: Analyses. The manufacturing industry in 2014, Directorate General for Enterprise and Industry.

The automotive industry, with 1,947 legal units and €100.8 billion of turnover, recovered well after two years of sharp decline (+4.0% in 2014 compared to -6.0% in 2013) thanks to exports (+2.3% compared to -4.1% in 2013).

The chemical industry, with 2,917 legal units and turnover of €76.6 billion, maintained its growth for the second year (+3.6% in 2014) thanks to the drop in oil product prices in the second half of 2014.

The manufacture of **machines and equipment,** with 4,998 legal units and turnover of €46.4 billion, also experienced an upturn (+3.4% compared to -5.9% in 2013), driven by exports (+2.9% after -4.1%).

Some sectors have turned around, such as **boat construction** (+4.7% in 2014 after -4.4%), the leather and shoe industry (+2.4% against -10.3% in 2013), and beverages (see file on «Beverages»).

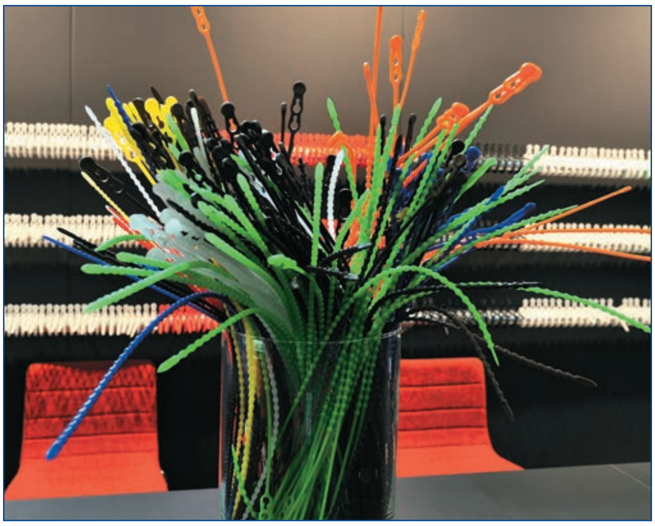
Aeronautics and space construction slowed down significantly in 2014 (0.2% growth against 14.3% in 2013), as did the pharmaceutical industry (see file on «Health / Pharmacy»).

Production of **rubber and plastic** does not seem to have reaped the benefits of the decrease in prices of chemical and oil products.

Production of **electrical equipment,** with 2,377 legal units and turnover of €30 billion decreased significantly (-5.4% against -0.4% in 2013) but bounced back in the last quarter of 2014.

The **computing and electronic** product industry, with 2,919 legal units and €5.4 billion of turnover, suffered a sharp fall (-3.7% against +6.7% in 2013).

Over the whole year 2014, **exports** of manufactured products grew (0.6% compared to 0.5% in 2013). The **profit margin** of 31.4% (excluding coking-refining and the food industry) progressed by 0.3 points a year on average and neared its pre-crisis level of 32 to 33%. **Investment** made an upturn at 1.6% (0.4% in 2013 and -0.4% in 2012) in all branches. In 2014, **salaried employment** in the manufacturing industry once again shrank, losing 33,000 net jobs (-1.1%), including 42,000 direct jobs (-1.5%).



SECTOR CHALLENGES RELATING TO PACKAGING

- **E-commerce** is an essential distribution channel for consumer products. A source of productivity, **shipping packaging** is simplified in terms of number of formats and often unmarked for security purposes, to the detriment of the famous «customer experience». Some retail sites seeking personalisation are adding refined details to this packaging (silk paper, personalised flyer, coloured internal elements, olfactory identity, etc.). Others are making packaging which will find a second life and others are trying to minimise sizes or are keeping an eye on technologies which will lead to customised and individual product packaging.

- E-commerce starkly brings up the problem of **reverse logistics,** but the entire manufacturing industry is looking at **logistics and intra logistics** as vectors for savings and innovations. For a long time, the automotive industry has been using returnable standardised GALIA packaging. Other industries are studying this possibility within the framework of contracts with their component and empty primary packaging suppliers, and wall-to-wall – reserved for very large packaging firms – is eradicating these flows.

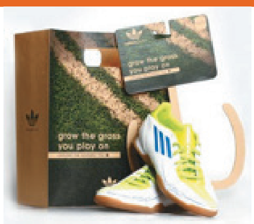
- Automatic warehousing, pick & place, and warehouse automation are conditioning **packaging and information flows.** RFID provides tracking for goods, load compliance and theft prevention. It targets faulty products in the event of recall and facilitates inventories. It is a key technology in the Digital Supply Chain!

- **Shipping and transport packaging** takes on all of its importance in directive 2014/47 concerning stowage of goods for road transport, which will come into force on 20th May 2018. This directive will make it compulsory to study the stability of **palletised loads** in the acceleration and deceleration phases and on roundabouts. The criteria for load unit rigidity are set down by standard Eumos 40509. A new argument which strengthens the necessity for an **eco-design of the entire packaging system.**

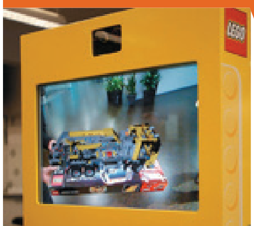
● Security, again, to combat **counterfeit**, which is particularly dangerous when it comes to spare parts. QR codes and RFID chips are some of the methods in this fight, along with holograms, serialisation which cannot be seen by the naked eye, the incorporation of plant DNA or tracked elements.

● **Connected packagin** is accompanying DIY, decoration and creative hobby products and provides access to tutorials. Toy packaging is onto a winner by adding **augmented reality** and transforming packaging into elements of the toy itself.

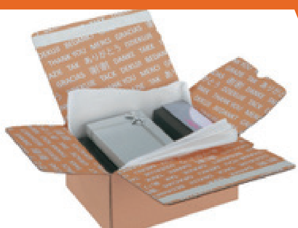
TRENDS



● Adidas proposes a «green pack» for its football boots with **a recycled cardboard box impregnated with grass seed.** You can then grow your own pitch!

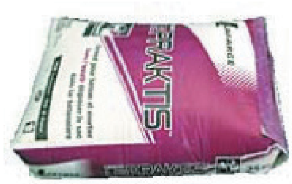


● With this Lego box, thanks to **augmented reality, it is possible to view on a POS screen what the toy will look like once finished**. A QR code produces a 3D image of the model.

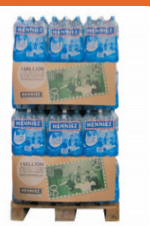


● Amaze, surprise, say thanks...with this **ready-to-send packaging** by Raja.

● Canon has chosen RFID with its co-packer. **The retailer's order triggers the assembly of pre-packaged cameras, lenses and accessories along with warranty documents.** Everything is put inside a cardboard box for shipping.



● **The «D-Sack» for cement can be put whole into a cement mixer, where it is shredded and mixed with concrete or mortar without altering their quality.** It improves working conditions by eliminating waste (BillerudKorsnäs).



● **The «Pal-Cut» solution equips the pallet with marketing functions** thanks to pallet inserts with printed flaps which stand out (B2B France).

● «Bulle box» is a sheet of watertight polypropylene with a flat cardboard cut-out which is folded to make a vase with water reserve. **A practical, waterproof and stable two-in-one solution** (Clatrton's).

AMONG THE EXHIBITORS IN MULTI-INDUSTRY:

AERA / AK TRADING / ANL PLASTICS / ARANOW PACKAGING MACHINERY / ARC / ARDEN-PLAST / ARJO SOLUTIONS / ATLANTA STRETCH / ATS-TANNER FRANCE SARL / AVEP - ASOCIACION VAL. EMPRESARIOS DE PLASTICO / BAC-LAND PACK / Q-PALL PALETTES PLASTIQUE / BRANSON ULTRASONS / BURBAN PALETTES / CARTONNERIE OUDIN / CEIA SPA / CETEC INDUSTRIE / CLARA VISION / CONGOST PLASTIC / COREPE - SEFDI / CRAEMER FRANCE / DECOMATIC / DIGITAL DECORATION / DIR TECHNOLOGIES / DS SMITH / DUMAI EVENTS / ECO JUTE / EMAN INDUSTRIAS GRAFICAS / ENDOLINE MACHINERY LIMITED / ENGELVIN BOIS MOULE / ESPAÇOPLÁS / ETIGO / EUROPLASTEX / EXAKTAPACK / EXTRUPLAST / F.D.R. EMBALLAGES / FAIR-ACCESS / FANUC / FARBAL / FEIGE FILLING GMBH / FESTO / FIDEL FILLAUD / FISCHBEIN / FOUBERT PAPIERS ET PLASTIQUES / FRANCE EMBALLAGE / FRANPACK SARL / GAGGIONE / GARCIA DE POU / GEPSA SOUS TRAITANCE / GRACO / GRAFOPACK / GROKU KUNSTSTOFFE / GROUPE SIPA / GUNTHER PACKAGING / HAMER PACKAGING TECHNOLOGY / HAVER FRANCE / HOREN PLASTICS/ HUGO BECK / IDEA L PACK / ILLIG / IMANPACK PACKAGING & ECO SOLUTIONS / IMAR / INEVER / ISIKLAR AMBALAJ PAZ AS / ISOFOM / JOKEY / JPJ MOUSSE / KARTONVEREDLUNG KNAPP GMBH / KIEFEL FRANCE / LANGGUTH / LES PAPIERS DE PRESSE - CFPP SPPP / LGR PACKAGING / MAFIM / MANUFACTURAS INPLAST, S.A. / MANUPLAST / MAROBERA / MCS-METAL CONTENEURS SERVICES / MECABAG SYSTEM / MILLIKEN EUROPE / MM PACKAGING FRANCE / MOM / NEOCERAM / NEWTEC BAG PALLETIZING / NORGRAFT PACKAGING / NOVA / ODOBEZ INJECTION PLASTIQUE / OLI-SPEZIALANLAGEN GMBH / ORA ORATEC / OZEMBAL-EDARD / PACK UP / PACK-TEC / PACKINOV / PACKSYSTEM DEVELOPPEMENT / PAKEA / PAKTECH / PAPETERIE GEREX / PAYPER / PBH FRANCE / PELLETIER SAS / PILLAR TECHNOLOGIES / PLASTICA PANARO / PRONIX / QUENARD / R3D / RBL PLASTIQUES / RECMI INDUSTRIE / RIBAWOOD / ROBATECH / RPC / SACCOF PACKAGING / SAMAFRAVA / SCELLINOX / SCHÄFER & FLOTTMANN / SCHWARZE AUTOMATION GMBH / SEA PRODUCTIQUE ROBOTIQUE / SERMATEC / SHENZHEN KING PLASTIC CO., LTD / SLEEVER INTERNATIONAL / SMG SYSTEMS / SMIPACK / SNT-THERMOFORMAGE / SOCO SYSTEM SA / SODIMA / SORETRAC / STAR-PACK / STOPPIL / STTS - CORONA & PLASMA / SUTEAU ANVER / TCM SOLUTIONS / TECHIK INSTRUMENT (SHANGHAI) CO.,LTD / TECHNIPES / TOURNAIRE / TOYBE GLOBAL PACKAGING / TRANSPACK / TSUBAKIMOTO EUROPE BV / TUBEMBAL / UET BERND SIEBLER GMBH / ULMA PACKAGING / UTZ GROUP / V2 ENGINEERING / VELEC SYSTEMS / VERCELLINO ETABLISSEMENTS / VREEBERG BV / XPERTECH / ZALKIN.

List valid at 15/06/2016
and available on www.all4pack.com

Source: Annette Freidinger-Legay, international packaging expert and consultant for the ALL4PACK Paris 2016 trade show.

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