

European tube industry holding its course: Growth despite stormy conditions

The environment may have been difficult but the European tube industry maintained its course of growth again in 2014. The member companies of etma, the European tube manufacturers association, report growth in annual production to 10.5 billion tubes. And this was despite flagging economies in the south of the continent and the politically and economically explosive situation in the Ukraine and Russia. "The fact that we again achieved growth of almost two per cent under such difficult conditions is more than a respectable result and makes me feel very optimistic about the future development of the European tube industry," is the positive balance drawn by etma Secretary General, Gregor Spengler.

The annual production of etma's member companies accounts for about 80 per cent of all tube production in Europe. Aluminium tubes are responsible for about 40 per cent of total production, followed by laminate and plastic tubes each with a market share of about 30 per cent. To a large extent these figures have been stable for years, even though the growth in laminate tubes was somewhat more pronounced in 2014.

The apportionment of tube production to the individual market segments also remained almost unchanged in 2014. Just under 45 per cent of all tubes produced find use in the cosmetics market, followed by a 20 per cent market share each for the pharmaceutical and dental care sectors. Industrial products and household uses together total about five per cent; the food sector recorded slightly above average gains and now has a market share of some ten per cent. "In particular the market for the tube as packaging for food-stuffs is far from exhausted thanks to outstanding properties such as excellent barrier effects, the highest hygiene standards, ease of handling, good resealability, optimal product safety and numerous convenience aspects," says Spengler with conviction.

Although the European tube industry has mastered all of the challenges in recent years with flying colours and shown an overall stable upward trend, Dr Monika Kopra-Schäfer, etma President, is cautious about future developments: "Our member companies' innovative capability and flexibility, which they have demonstrated impressively during difficult times in recent years, make me optimistic for the future as a whole. But despite all this confidence, the weakness of the euro and the fact that national economies in Europe are continuing to flag represent considerable risks."

The etma member companies can only benefit to a limited extent from the weakness of the euro in their export business because the lion's share of their production stays in Europe. However, the strong dollar makes all feedstock and materials priced in US dollars more expensive. This could lead to further intensification of cost pressures in the tube industry.

As Dr. Monika Kopra-Schäfer explains, the industry is already under enormous pressure because of ever shorter delivery times and ever smaller batch sizes: "This development has been going on for years. The tendency of clients to keep virtually no stocks at all with the resultant just-in-time production, coupled with smaller quantities being ordered and extremely short ordering cycles require constant optimisation of production and logistics along the whole process chain."

Despite this, etma also sees good opportunities for the tube industry in future. Gregor Spengler is optimistic: "The trend in packaging is to ever higher grade designs and ever more demanding closures and dispenser systems. Tubes are the optimal form of packaging and with their expertise our member companies are the ideal partners for their clients. Fertile dialogue and creative interplay is resulting in new innovative products that delight the consumer and open up new market potential."

Your contact:

Georg Grumm

Information und Communication

Gesamtverband der Aluminiumindustrie e.V.

Phone: + 49 211 47 96 160

E-mail: georg.grumm@alinfo.de