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Innovation in Beverage Closures

2011

A Special Report from Canadean

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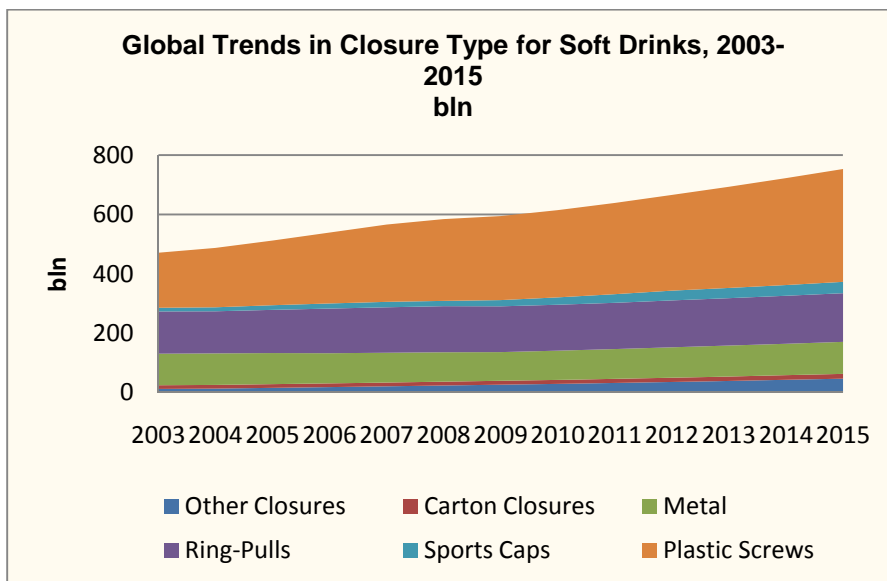


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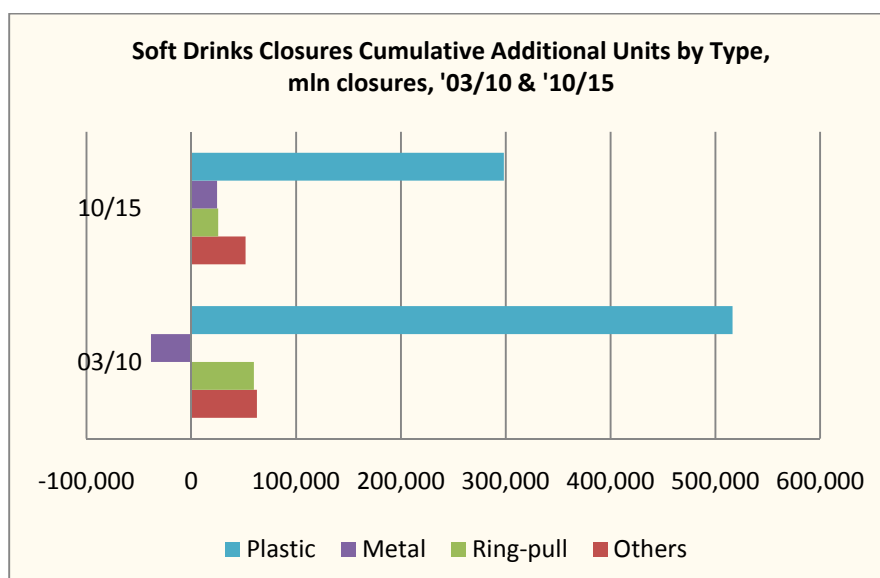
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Source: Canadean

The CAGRs have been particularly strong in the period 2003 to 2010. Sales of sports caps have been advancing by 10% per year, those of plastic screw caps by 7% and other closures up at 13% per year. Metal caps have recorded a negative trend, ring-pulls held steady at 1%. Going forward ring-pulls will maintain a slow and steady CAGR of around 1%. Metal caps will return to recording positive growth. Sports caps will continue to register a very healthy 9% CAGR, plastic screw caps 5%, carton closures will revive to a 4% CAGR and sales of other closures will continue to forge ahead at around 10% per year.

All of this will deliver cumulative additional unit sales to 2015 of 400 billion units, 75% of which will be plastic – screw (flat) cap or sports cap – with another 50 billion of other closures and 25 billion each of ring-pulls and metal caps.



Source: Canadean

On a regional basis Asia will account for 320 billion out of the cumulative 400 billion extra soft drinks closures sold between 2010 and 2015, dwarfing the expected opportunity in all other regions. Continued good growth in Latin America will help to deliver cumulative five year sales of around 40 billion more closures than in 2010, while in Eastern Europe around 25 billion will be added, almost three times the extra sold in West Europe.



Another solution has been developed by OC Beverages and Quantum Health Beverages, the Vitamin Infusion Cap, which also features a twist and dispensing technology. At present it is being utilised on a line of enhanced beverages, one, considering the dispensing system, the aptly named Release.

In Italy, INCOS Cosmeceutica Industriale has introduced its Phil-O-Cap as part of an Active Caps range. The cap contains 2 grams of soluble granulate, intended to be dispensed into 500ml. The caps can be supplied loose or in packs.



PHIL-O-CAP

Japan's Ito En launched Oishi Ocha Omatcha , November 2008 – Fresh Green tea product 275ml PET bottle featuring a unique lid. The bottle incorporated an air tight lid which holds 1.2 g of green tea powder. Turning the lid counter-clockwise releases the powder into mineral water below and the bottle can be shaken to mix thoroughly. The dark green cap shuts out more light than traditional white caps and contains a mechanism to prevent tainting.



Research Methodology

The Canadean Expertise

Canadean Ltd is a private independent research company with over 35 years of experience in the commercial beverage markets.

The key feature of our methodology is that we operate within a web of inter-dependent industries and companies, which we research and service at the same time - see chart 'The Canadean Field of Research'.

This focused, but wide-ranging view of the industry forms the basis of all our Services.

The data in our research represents total consumption (based on ex-factory sales minus exports and plus imports) and covers both at home and away from home channels.

Our research is complementary to consumer and retail surveys - the latter fall outside our area of expertise.

The majority of our research is compiled by on-the-ground analysts who work for us on a regular basis and have, in many cases, clocked up many years of experience in the industry.

We have an experienced team of editors and analysts with an international perspective whose main brief is to ensure that the data is interrogated for consistency and integrity before it is released to clients.

Research Methodology

Our research is built from brand data upward. This 'brick-by-brick' approach as well as the cross-fertilisation with our other related services, ensures that our research has an internal logic which cross-checks from all angles - from brand volume through to corporate volume, flavour segmentation, packaging splits and channel distribution.

The companies featured in the company profiles and those whose brands are featured in the individual market categories are selected through regular market observation (see also our Quarterly Beverage Tracker) based on the size of their output and/or their dynamism.

Sources

- Face-to-face interviews with the leading soft drinks producers, brewers, dairy, spirits and wine producers
- On-going dialogue with leading companies in allied industries
- Quarterly monitoring of product offered in all trade channels in selected markets
- Interviews with retailers and other distributors
- Company information in the public domain
- Trade press
- Trade associations
- Official production and trade statistics



Canadean Wisdom Database

All our annual reports are held in Canadean's investigative multi-dimensional, attribute-based database, Wisdom, available as a web-based service or as 3-dimensional excel cub files, offering unique advantages to our clients, in particular:

A high degree of standardisation across all markets

The ability to view the data in a flexible way, rather than what has been predetermined in a report table

The ability to conduct investigative analysis of the data by single attribute leading to insights and understanding

The ability to run calculations

The ability to access the database at different levels – Wisdom Direct for everyday/infrequent use or Wisdom Analytics for the experienced user requiring a greater level of data and analytical functionality

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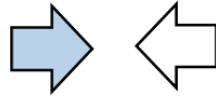
In recognition of the high degree of sensitivity implied by the research within the industry, we operate with due care and consideration to our clients' data.

Although we have extensive contacts built over the considerable length of time we have been operating in the field, we do not disclose the identity of our sources.

All our Staff and Clients are requested to sign a Confidentiality Agreement, which ensures that the more sensitive data is never circulated outside the Client Base and the Industry.

The Canadian Field of Research

Industrial Research
... our area of expertise



Retail & Consumer Research
... other research companies

