



*The
Worldwide*
RETORT
Market

Market
Trends,
New
Products,
Technologies,
Economics &
Opportunities

Highlights of the market
study

*Retort Pouches
and Trays 2009*

Presented to:

**RETORT POUCH
/ TRAY - 2005**

April 12, 2005

By

**KEYMARK
ASSOCIATES**

Huston Keith, Principal

Copyright 2004-2005 by Huston Keith

2281 Piedmont Forest Drive Marietta, Georgia 30062
770/579-5979 Fax 770/565-5998 retort@keymark.org

Tremendous Opportunities in Retort Packaging

- ★ **Huge retort potential -total all containers**
 - ★ 50 billion worldwide
 - ★ 15 billion in the USA
- ★ **Pouches more advanced elsewhere**
 - ★ Japan over 1 billion pouches now, plus trays
 - ★ Europe has grown rapidly - now 10 billion
- ★ **Now USA is catching up**
- ★ **Pouches approaching 2 billion; trays nearly 1 billion**
 - ★ Increasing at double digit rates
 - ★ **THE HOTTEST PACKAGING MARKET**

Why now?

- ★ **Compared to the can, the pouch offers....**
 - ★ **Reduced storage space**
 - ★ **Reduced transportation cost**
 - ★ **Consumer tear-open convenience**
 - ★ **Reduced retort time = Better flavor**
 - ★ **Shelf appeal**
- ★ **But always true!! So why now?**

Barriers are coming down

- ★ **Pouch & can line costs converging**
- ★ **Speeds are increasing**
 - ★ **Already close to large cans**
 - ★ **800/min. small pouches , 1600/min. on horizon**
- ★ **CONSUMERS BUYING!**
 - ★ **Convenience**
 - ★ **Taste**
 - ★ **Food service offsets labor costs**

Success Stories

- ★ Tuna
- ★ Pet Food
- ★ Soups
- ★ Rice dishes
- ★ Entrees/Meats



Pet Food

- ★ **Sheba cat food & Cesar dog food in convenient feeding container trays**
- ★ **Whiskas, Pedigree & Friskies in pouches**
 - ★ **More attention-getting than cans**
 - ★ **Easier to open, dispense & close**
 - ★ **Similar to stand-up pouches used for treats**
- ★ **Over 4 billion units potential**

Tuna

- ★ **StarKist led with food service, then consumer products**
 - ★ **Now other brands & variety of products**
- ★ **Holds substantial part of 2 billion package market**

Entrees/Meats

- ★ Hormel & Stagg chilis in retortable cartons
- ★ Esskay & Knauss creamed chipped beef
- ★ Tyson & Sweet Sue meats
- ★ Lunch cups from Chef Boyardee, Dinty Moore & other lunch cups
- ★ Wornick Homestyle & Asian Style
- ★ Growth potential big:
 - ★ 3 billion shelf-stable entrees
 - ★ 3 billion frozen meals

Soups

- ★ **Over 4 billion units**
 - ★ **Campbell - a major player**
 - ◆ **Soup At Hand - big success in cups**
 - ◆ **Also Chunky in bowls**
- ★ **Pouches widely used in Europe/Japan**
- ★ **Pouches that convert to bowls**

Other markets

- ★ **Baby food - 1.5 billion units**
 - ★ Using trays now
 - ★ Pouches unbreakable, easy-open, transport
 - ★ Clarity, servability and reclosability?
- ★ **Economical enough for fruits & vegetables?**
 - ★ Canned vegetable market - 5 billion units
 - ◆ Now in trays in Europe
 - ★ Fruit - 1.5 billion - Del Monte's Fruit To Go cups

Niches for innovative products.

★ Handheld, eat-on-the-run foods

- ★ Retortable tube pouch like yogurt
- ★ Enormously popular for lunchboxes



★ What about.....

- ★ Pasta? Burritos? Eggrolls?
- ★ More convenient reheat
- ★ Easier to merchandise.



Materials

★ Typical

- ★ Foil - Barrier
- ★ PET or Nylon - Flex crack & pinhole resistance
- ★ Printing
- ★ Cast PP - High temperature sealant
- ★ Inks & Adhesives

★ Others

- ★ Silicon Oxide (SiOx) or Aluminum Oxide (AlOx) coated
 - ◆ PET or Nylon - for clear barrier

Materials - New

- ★ **Polyacrylic acid-coated (Besela) PET or nylon**
 - ★ Clear barrier
 - ★ Improved flexibility
- ★ **Polyvinylidene chloride (PVdC) or ethylene vinyl alcohol (EVOH) coextrusions**
 - ★ Lower cost clear barrier
- ★ **Nanocomposite coatings or impregnated films**
 - ★ Clear, very high barrier

Key Players - US Converters ***Rollstock***

- ★ **Alcan (Chicago, IL) –MREs #1, also makes pouches**
- ★ **Smurfit-Stone (Schaumburg, IL) – MREs, promoting consumer pouches**
- ★ **RJR Packaging (now Oracle), Winston-Salem, NC – rollstock & lidstock**
- ★ **Sonoco (Hartsville, SC) - makes pouches**
- ★ **fres-co System (Telford, PA) - makes pouches, supplies machines**

Key Players - US Converters ***Pouches***

- ★ **Kapak (Minneapolis, MN)**
- ★ **Exopack (Hebron, KY - formerly Specialty Films div.)**
- ★ **Floeter (Elk Grove Village, IL)**
- ★ **TechniPac (LeSueur, MN)**
- ★ **Valley Packaging (Green Bay, WI)**
- ★ **Also Alcan & Sonoco**

Key Players - Packaging Importers

- ★ Amcor (Europe/Asia)
- ★ CLP (Israel)
- ★ Elag (Switzerland)
- ★ Hyewon (Korea)
- ★ Lithograph/Mayor (China)
- ★ Majestic (Korea)
- ★ Pyramid (LaHabra, CA/Korea)
- ★ Versapack (Taiwan)

Key Players - Food processors (MREs/Co-packers)

- ★ Ameriquel (Evansville, IN) MREs, also co-packs
- ★ Palmetto (Greenville, SC)
- ★ Lambert Street (San Antonio TX)
- ★ Shoei Foods (Maryville, CA)
- ★ Select Brands (Springfield, MO)
- ★ Sopakco (Mullins, SC) MREs, also co-packs
- ★ Truett Bros. (Salem, OR)
- ★ Wornick (Cincinnati, OH) MREs, also consumer meals

Key Players - Food processors (brands)

- ★ **Bumble Bee: Tuna & seafood; Sweet Sue meats**
- ★ **Del Monte: StarKist tuna & seafood**
- ★ **Masterfoods (Mars): Whiska's pet food, Uncle Ben's rice, Pedigree dog food**
- ★ **McCormick/Zatarain's rice**
- ★ **Nestlé: Pet food, baby food (Europe)**
- ★ **TriUnion: Chicken of the Sea tuna**
- ★ **Tyson: chicken**
- ★ **Polar tuna**
- ★ **Preferred Brands: Tasty Bite & Thai Table entrees**
- ★ **Several others**

Conclusions

- ★ Growing food service & selected niches.
- ★ Volume large; economics more compelling
- ★ Consumer and retailer benefit



KEYMARK
ASSOCIATES

THE KEY TO TARGETING NEW MARKETS