

# Industry News

## Packaging Rides High in Uttarakhand After Tax Break offer

The tax break offered by the central government has helped the packaging industries sector in Uttarakhand to expand. Over 100 packaging units have been set up since the government announced the 2003 concessional industrial packaging scheme for the state.

Industrial areas like Haridwar, Mohabewala, Selaqui have seen major packaging units set up base. All types of packaging business ranging from flexi packaging to rigid packaging as also other forms used in paper units and glass-based units are undertaken. The sector has also seen a huge demand for corrugated boxes. More than Rs. 250 crores have already been invested, providing employment to more than 5000 people in the state. However, untimely payment from clients has plagued many of these units, causing liquidity crunch while procuring raw materials. One of the industrialists said, "the owners have to buy raw material in advance, but the payments come in six months late and sometimes even later than that. The much talked about MSMED (Micro, Small and Medium Enterprises Development) Act 2006 has also not helped much to address this problem. Also, continuously increasing price of raw materials have hit bottom lines of this very hard. "With growth of packaging industry in the state, a need is also being felt for setting up a Product Innovation and Design Center."

Industries Association of Uttarakhand, with support from GTZ (Gesellschaft for Technische Zusammenarbeit in India) is actively considering setting up one in the state. The industry owners have planned to set up a Corpus through which soft loans will be given to tide over the liquidity crunch. SIDBI ventures have shown interest in extending schemes to the Packaging Industry. The Deputy General Manager said, "if any scheme comes for cluster development, we are ready to provide our help." Despite the cash-flow problem the industry seems to be in good shape. With FMCG, Food Processing, Auto Manufacturers, and Electronic Goods Giants like LG setting up their units, the demand for packaging can only grow.

Courtesy: Printweek India

## Members of the Wood and Paper Products Industry in North America have joined together to form the Abundant Forest Alliance (AFA)

AFA is a group with many goals but one mission – to reassure you that there will always be plenty of forests.

They are the people who harvest trees and turn them into the wood and paper products we all need and enjoy (homes, furniture, the Sunday comics, and many more).

It was realized how important it is to keep the forests healthy, growing and abundant forever. This growing works to protect the delicate balance between supplying the products people need and giving the forest environment what it needs to flourish.

Most people just don't realize how sustainable forestry practices, new technologies, improved recycling efforts and other advances are helping to ensure that there will always be plenty of trees and wood and paper products. Of course, one couldn't do any of this without Mother Nature's help.

By renewing, reusing and respecting our forests, they will remain abundant.

Leading companies of America's wood and paper products industry have joined to form the Abundant Forests Alliance. This group wants consumers and customers to understand how sustainable forestry practices, new technologies, increased recycling and other advances are making it possible for their nation to have both the wood and paper products it needs, as well as a healthy and thriving forest resource. By working together to "Renew. Reuse. Respect, this remarkable resource" says – there can be abundant forests for generations to come.

## Anthony Pratt Honoured

**Anthony Pratt**, CEO of Pratt Industries USA, was honoured by the environmental organisation Global Green USA in New York City recently for his ongoing efforts to reduce the impact of global warming. This follows Mr. Pratt's recognition at the Clinton Global Initiative for making a \$1 billion commitment to fight climate change.



"Anthony Pratt's continued efforts to raise awareness of recycling and what it can do to help and protect the environment is an example to us all," said Global Green CEO Matt Petersen. "We at Global Green salute and commend his commitment to the planet."

Mr. Pratt, who has built his company into the seventh largest paper/packaging company in the US with 3,500 employees, said he was humbled by the award but hopeful it would help spread the word that "recycling is an important but underestimated weapon in combating climate change." Mr. Pratt noted that his company's growth "was almost despite the fact that we were a 100 per cent recycled company."

(cont. on page 87)

(cont. from page 83)

Then came Hurricane Katrina and Al Gore's movie, 'An Inconvenient Truth'. Now, Mr. Pratt's recycling record has created a 'business that's now considered to be squarely on the side of the angels'.

"Landfills account for double the GHG emissions of the entire global aviation industry," Mr. Pratt said, "and every ton of paper we divert from the landfill and recycle prevents one ton of greenhouse gases from entering the atmosphere. America falls well behind the 75 per cent paper recycling rate the Germans have achieved," he said. "We have to do better, and I have challenged the paper industry to lead the way."

To that end, Mr. Pratt pledged \$1 billion to build additional recycling and waste-to-energy infrastructure in America over the next decade. That commitment includes construction of three new recycling mills, four waste-to-energy plants and 30 Material Recovery Facilities and ancillary box-making factories.

Mr. Pratt has already broken ground on one of those mills – in Shreveport, Louisiana – which is the company's third to date and its first waste-to-energy plant in Conyers, Georgia. Both will be operational in about 12 months. "We're also about to start construction on our third Material Recovery Facility, in Dallas," he said.

Source: Internet

## New President of ICCA

**Mr. Jim Keeler** has taken over as the new President of ICCA (the International Corrugated Case Association), replacing Mrs. Heather Marshal.

Mr. Keller has a vast experience in the corrugated and containerboard industry.

In 1974, he joined Weyerhaeuser as a investment evaluation analyst and later in 1981 he became the general manager for the shipping container plant in Lithonia. He was in the in the position of Vice President and General Manager of Containerboard Packaging and Recycling. In 2002 he became the Senior Vice President. After his retirement last year he started his



own consultancy business – Green Mountain Business Consultants LLC.

He says that most companies operate in a regional zone and tend to see changes occurring from the perspective of their region. As issues start occurring, whether they are legislative, customer related or product development, that could have implications across the globe. ICCA is a forum to put those issues in front of its membership so they become aware of them prior to them potentially hitting their particular geographic area. By being a member of ICCA, corrugated manufacturers can be aware of these issues and have position statements and make changes if they need to in their processes or manufacturing before their customers are confronted with those issues. As an association we don't do any lobbying. We are basically a communication vehicle to prepare our membership for changes..

He also said – This year we are going to go through a re-evaluation of the work group priorities to make sure that we meet the needs of the ICCA membership.

About North America, especially in the US, the containerboard industry remains still healthy, he says that it is a very complicated equation. The value of the dollar has something to do with the value of US products that can be shipped at greater consumer values to other parts of the world. As our dollar continues to decline, our products become more attractive externally. The general state of the US economy is variable by region. We have seen some regions benefit as they continue to have pretty decent economic activities.

The housing slowdown will start to affect our business because if you don't build homes, you don't furnish new homes. Some of the product that go into new housing starts not going into boxes. We haven't seen yet the impact on our business as a result of housing slowdown. It takes eight or nine months to build a house, so as the slow down happened in the last year, now is the time that we are probably going to start to feel the effect of certain segments, such as furniture, household goods, appliances, electronics, bedding, and all the things that could be delivered to that house in a box. The market is going to be slow for quite a while until the housing market picks up.

He feels that the industry has to be able to earn its way to grow and invest in new capital equipment and technology.

Source: Internet

## Help stop wasteful mailings

If you receive multiple mailings or if your address, company or job title have changed, please keep us informed so we can update our database immediately.

Thank you.

— Editors