

30 YEARS OF CREATIVE SERVICE

Although the first initiatives towards the initiation of an international association to represent the manufacturers of aluminium foil can be traced back fifty years, 1974 marked the foundation of the European Aluminium Foil Association (EAFA) as we know it today.

These 30 years represent an era of remarkable and rapid evolution in both the European market and the status of the members. EAFA has played a pivotal role in assisting its members to adapt to a fast-changing and challenging environment.

Such fundamental changes as the development and establishment of the European Union, increasingly detailed national and international legislation, proliferation of competitive materials, the threat of substitution and the advent of electronic trading – all have had a direct influence. Added to these challenges, changes in the markets for aluminium foil have accelerated and the technology of foil rolling and converting has developed rapidly. The same 30 years have marked the advent of the global market, extensive corporate consolidation and instant global communication.

An evolution to meet the demands of members and their customers

Throughout this period, EAFA has been adapting to, and creatively addressing, the needs of its members.

To fully understand the dynamics of today's EAFA, it is worth looking briefly at its origins and purpose.

In the mid-fifties, AFCO, the Aluminium Foil Conference Organisation, was formed as an international meeting ground for several existing national

and regional associations representing manufacturers of aluminium foil. AFCO set common standards of 'best practice' in trading which were acceptable under the laws of the day.

However, with the advent of the EEC Treaty and changes in competition law, the rules of AFCO were completely revised to eliminate any terms that could be considered restrictive.

AFCO also set agreed technical standards, which were groundbreaking at the time and still form the basis of contracts in some parts of the world.

By the mid 1960's, most major European foil rollers were represented in AFCO.

A rapid growth in the markets for aluminium foil – principally in packaging uses – resulted in forward integration with most foil rollers becoming directly involved with the converting of their materials. This meant that members also needed a forum for the discussion of common converting interests, with customers as well as with fellow AFCO members.

Support for an organisation within which such converting issues could be aired grew until an agreement among foil converters from 4 countries was signed in December 1961 – the so-called Strasbourg agreement. Successful annual conferences were held, first separately from the AFCO meetings, then at the same venue but on separate days.

By the early seventies, both rollers and converters came to the conclusion that one umbrella organisation would make sense. In June 1974 the European Aluminium Foil Association (EAFA) with two divisions – one for rollers, the other for converters – held its inaugural meeting in Biarritz.

Brief history of EAFA

- 1935 First record of an aluminium foil organisation in Europe
- 1955 Foundation of Aluminium Foil Conference (AFCO)
- 1960s "AFCO Standards"
- 1974 Foundation of EAFA (Roller and Converter Groups)
- 1993 Foundation of Container Group
- 2004 Foundation of Rewinder Group

The following several years saw a period of stable growth. EAFA became a respected and well-known organisation run by a team of experienced national secretaries servicing members in Germany/Scandinavia, France/Greece, Spain, Italy, Switzerland/Austria and the UK/Benelux countries. The presidency and 'General Secretariat' rotated annually and with them the responsibility for the organisation of the annual conferences and social programmes.

Early in the 1990's, the business background had evolved to the extent that there had been a consolidation of the aluminium foil industry and a consequent decline in the number of companies belonging to the national groups. This, together with some re-appraisal by members of the converting group within EAFA, led to the re-examination and revision of the original statutes drafted in 1972 prior to the 1974 Biarritz inauguration.

By 1994, it was clear that a structural change and simplification was necessary. This was implemented in 1996 and meant the end of the national group membership structure and the start of direct company membership. The key national group secretaries, who had been instrumental in the setting up of the EAFA organisation, withdrew or retired during this period.

Consequently, the establishment of a permanent general secretariat in Düsseldorf was initiated with the support and collaboration of the Milan and Paris offices until their closing or re-structuring at the end of 2003 and 2004 respectively.

Growth of services to members

Statistical reporting

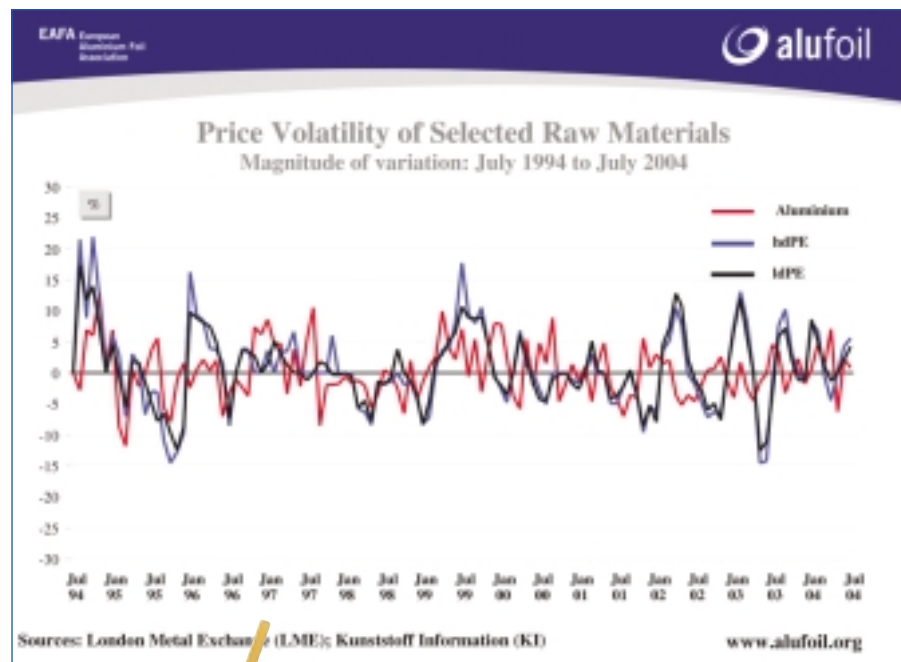
Already, a very detailed set of annual statistics, started in 1963, had been shared by the roller members. Figures were grouped by country and included detailed home consumption, total production, imports and exports. The last of these 52-page statistical 'bibles', based largely on and including official published figures, was issued in 1993. By this time, the need for a more frequent, reactive and market-orientated statistical information became apparent.

The collection and sharing of statistical information remains a core service of EAFA and provides

members, as well as the specialist press, with valuable background about the markets and their trends. Reports are now based on member reports, issued quarterly and within a few weeks of the period concerned.

Monitoring competitive materials

EAFA also provides a common talking shop of great value in assessing the market performance of alufoil in comparison with other materials. 'Substitution' became a pre-occupation with members who were wary of other materials encroaching upon the traditional packaging



markets for alufoil. Responding to this, the association enabled members to exchange market intelligence and to identify areas of vulnerability.

For example, the perceived 'price volatility' of aluminium foil among some customers became the subject of an independent study commissioned by EAFA in 1999. This demonstrated that aluminium is no more volatile in price than any other major packaging raw materials. The 'volatility' statistics are now updated every six months and the ongoing

study remains an important support for members to counter any negative image regarding price movements.

Global representation

Working in collaboration with the European Aluminium Association (EAA), of which EAFA is a constituent member, EAFA plays an essential role in supporting its members in their dealings with bodies such as the European Commission. Representation, normally via EAA, is made with key bodies and authorities to ensure that the views and interests of member companies are taken into account when new EU rules affecting packaging are drafted.

Elsewhere around the world meetings with other like-minded organisations are organised to exchange ideas and experiences. Networking links are maintained, for example, with bodies in Japan, Russia, the USA and South Africa. Similar contacts are already being set up with other regions of the world such as China.

An extending membership

A sure sign of the effectiveness of any organisation is its growth. Despite considerable consolidation in the aluminium and converting industries in recent years, EAFA has demonstrated healthy growth in membership. There are now 24 members of the Roller Group and 68 in the Converter Group.

To these two original membership groups, a further category made up aluminium foil container manufacturers was inaugurated in 1993. Container Group membership has grown from a small handful to 17.

Further active development meant the inauguration in 2004 of a new group of 11 members representing the household foil sector – the 'Rewinder Group'.

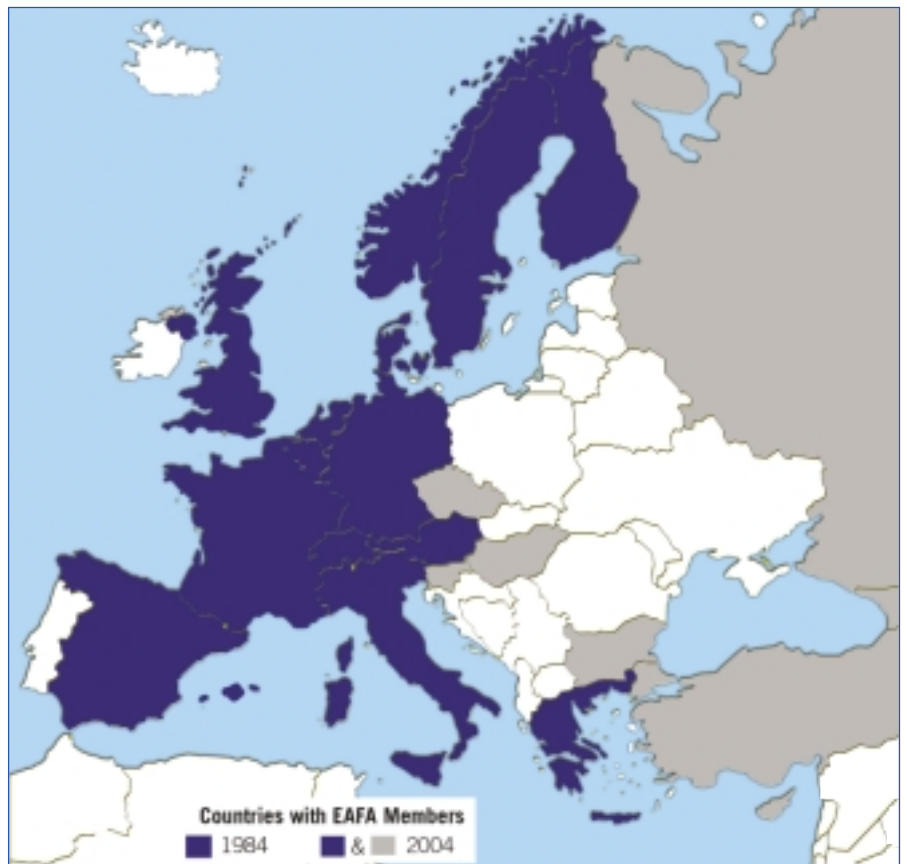
This brings total membership to 120 companies.

Geographically, EAFA has also made great strides in the past few years. Enlargement was well advanced

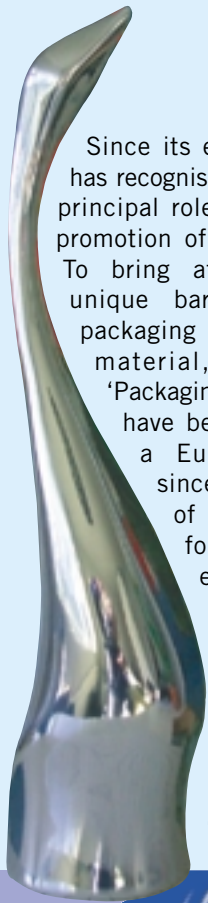


before the EU's expansion was established. At the 2000 EAFA Autumn Conference held in Prague, the intention to attract companies from Eastern Europe was clearly recorded. Since that day, new

members have been welcomed from Armenia, Bulgaria, Croatia, Czech Republic, Hungary, Slovenia, Turkey and Russia, bringing the total number of countries represented in EAFA to 23.



Marketing communications



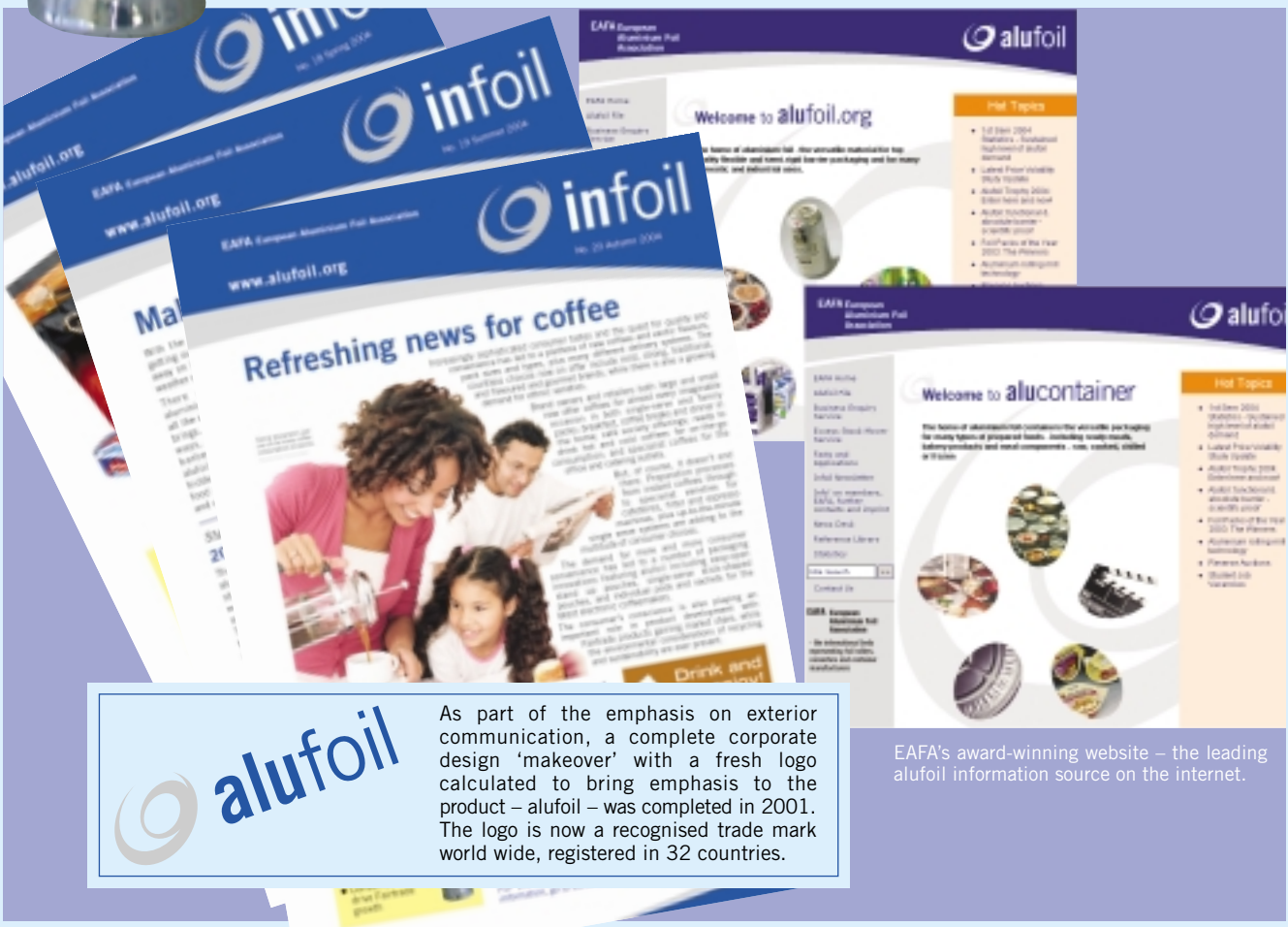
Since its early days, EAFA has recognised that one of its principal roles is the generic promotion of aluminium foil. To bring attention to the unique barrier and other packaging merits of the material, a series of 'Packaging Trophy Awards' have been organised on a Europe-wide basis since the early years of EAFA. This was found to be an economical tool to achieve extensive press coverage and interest every two years – the initial cycle chosen for the contest.


Notwithstanding the success of this publicity, such was the growing concern about the strength of 'competition' and the threat of material substitution that, in 1998, an independent market study was commissioned to evaluate the trends, dangers to and opportunities for alufoil in the seven largest Western European countries.

Among the findings was the clear message that awareness of aluminium foil and its benefits needed to be raised significantly if foil rollers were not to lose market share in comparison to more actively promoted materials.

As a consequence, between 1999 and today a very active programme of public relations has been established and now involves:

- the thrice-yearly newsletter 'Infoil' sent in five separate language editions to brand owners, fillers, retailers and to the food and packaging media,
- an 'information rich' award-winning website (www.alufoil.org) with great interest demonstrated by the hundreds of thousands of 'hits' received every month,
- the initiation of the Alufoil File, a comprehensive dossier on applications,
- a pro-active programme of press articles and press releases,
- participation with a stand at major exhibitions such as 'interpack' and
- the stepping-up of the 'Alufoil Trophy' to an annual event.



 As part of the emphasis on exterior communication, a complete corporate design 'makeover' with a fresh logo calculated to bring emphasis to the product – alufoil – was completed in 2001. The logo is now a recognised trade mark world wide, registered in 32 countries.

EAFA's award-winning website – the leading alufoil information source on the internet.

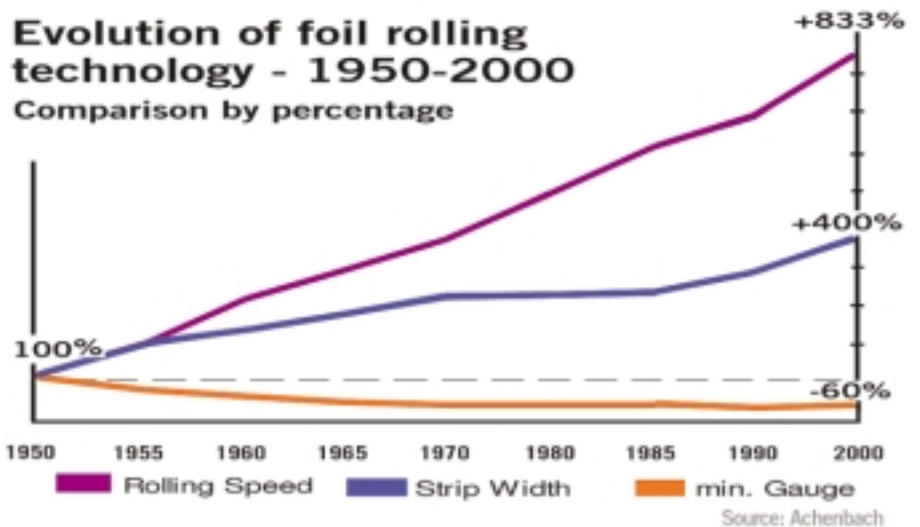
Thirty years of product and market development

EAFA has witnessed a period of remarkable changes both in the nature and size of the markets for the material and in the technology of the industry.

Taking the crude annual tonnage total as a yardstick, since 1974 aluminium foil has grown by some 40% in the countries represented by the original EAFA members. In terms of the tonnage reported by today's enlarged membership, production has grown by some 170% over 1974. This remarkable expansion is partly due to the strong growth in the uses of alufoil and partly to the expansion in the EAFA membership.

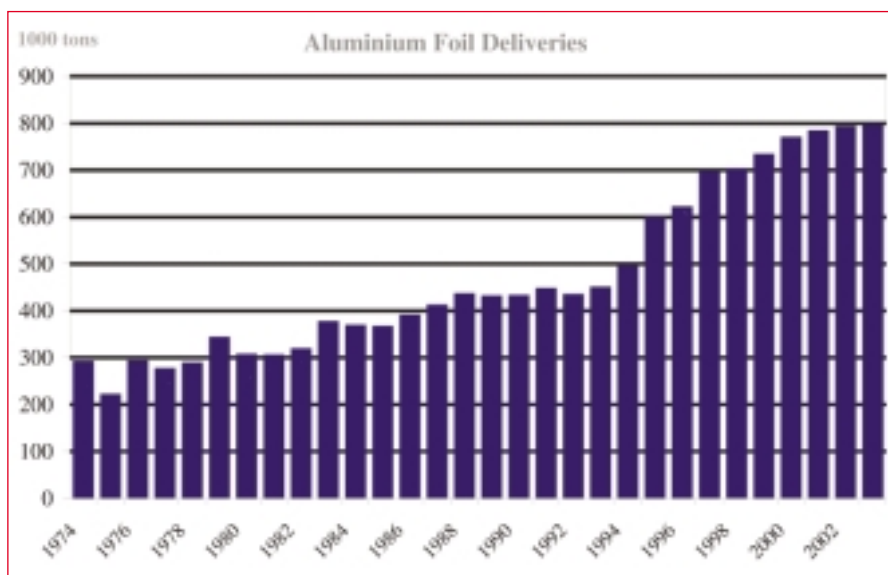
Even so, the tonnage figure is misleadingly understated thanks to 'downgauging' - the use of thinner foils without loss of effectiveness. Developments in foil rolling technology have enabled downgauging in the order of 30% average in packaging applications since EAFA started. The obvious inference from this is that the popularity of aluminium foil as a highly effective barrier has increased at a much greater rate than the crude tonnage totals indicate.

Evolution of foil rolling technology - 1950-2000
Comparison by percentage



It is this barrier property of alufoil that has set it apart from other packaging materials. As a total block to light, moisture and aromas, a very thin layer of alufoil transforms the performance of a flexible packaging laminate. Combined with coatings of plastics of various specifications - which have also developed rapidly over recent years - aluminium foil enables foods and other products to enjoy greatly extended shelf life. In contrast to three decades ago, when the steel can ruled, today autoclaving and aseptic filling of lightweight flexible packs routinely ensure that food products are sterile. Alufoil ensures that they stay pure and in top nutritional and taste condition for many months.

Alufoil's characteristics have given it the role of 'enabler' in several innovative applications since 1974. Foil containers for example have enabled a whole new 'gourmet' pet food sector to develop. High barrier foil laminates have transformed the vacuum packaging of coffee, once the exclusive domain of tinplate cans.



Alufoil laminated sachets are now commonplace in the protection of a host of dehydrated products such as soups and sauces. Lids for yoghurt and cream pots have been downgaged and recent developments have included the 'unembossed' lid.

Tamper evidence for pharmaceutical containers is provided by an 'induction-sealed' alufoil membrane – a closure technique which uses the electrical properties of the metal. Foil-backed blister packs have also become the norm for medicine tablets and capsules.

In the kitchen, cooking has been simplified within the past few years by such developments as 'non-stick' household foil and meat joints packed hygienically in ready-to-roast aluminium foil containers.

The aluminium foil container: - three decades of development

It is not possible to review the evolution of the aluminium tray over the last 30 years without contrasting it to the changes which have taken place in our own lifestyles. Container manufacturers and their product have been in the vanguard of social and environmental change. The "humble" foil container with its low unit cost has made a significant contribution to the way we live our lives today. For example:

1. With foil trays infinitely 100% recyclable, a successful infrastructure of collection systems through schools, local authorities and social services has been established all over Europe.

2. Evolving foil container manufacture technology has enabled consistent down-gauging year after year across all product types. The ultra low weight of foil trays carries much more food product per tonne than any other containing method. Thus offering unmatched reduction in the use of the earth's resources for food containment.

3. Tooling and on-line press management techniques have been developed which have substantially reduced scrap losses during manufacture. Examples of this include the "no scrap web" tooling layout which can bring improvement of up to 8% in metal yield. The improved precision of foil feed systems and the use of instrument QA cameras can identify pinhole faults, halt production and stop waste becoming established.

4. The introduction of thin gauge small tart containers replaced the old bakery practice of washing tin/iron moulds to make pastry forms. This reduced losses of good product in the supply chain and eliminated the energy wasteful practice of washing the iron mould in hot water and re-using. Suddenly the Baking industry had the perfect in-factory cooking container which offered improved distribution protection, gave the consumer an undamaged product, was waste free, hygienic and 100% recyclable using only 5% of the original energy required to make the aluminium in the first place.

5. The advent of the "TV Dinner" in the 1950's/1960's has led to our modern convenience meal lifestyle and with it associated meal containing methods. Today many of the heavy gauge plastic (CPET) trays in this market have been replaced by foil trays. Innovation in aluminium alloys, forming methods and design has resulted in flat rimmed, stronger, much thinner (than CPET), film sealable trays. This new generation of trays fully exploit the temperature tolerance property of aluminium and bring additional benefits of 100% recyclability and energy saving over all other competitors.

The story of the foil tray is an evolving one. Investment, innovation and intuitive marketing have kept foil containers at the forefront of packaging development. They have found their way into all our lives. The scope of the opportunity they provide for improvement in our lifestyle eating



habits together with their enviable environmental credentials mean that we truly have the food container package of the new millennium.

Above: the original 'TV Dinner' tray (1955).

Below: Present-day convenience – a turkey joint ready to roast (2003).

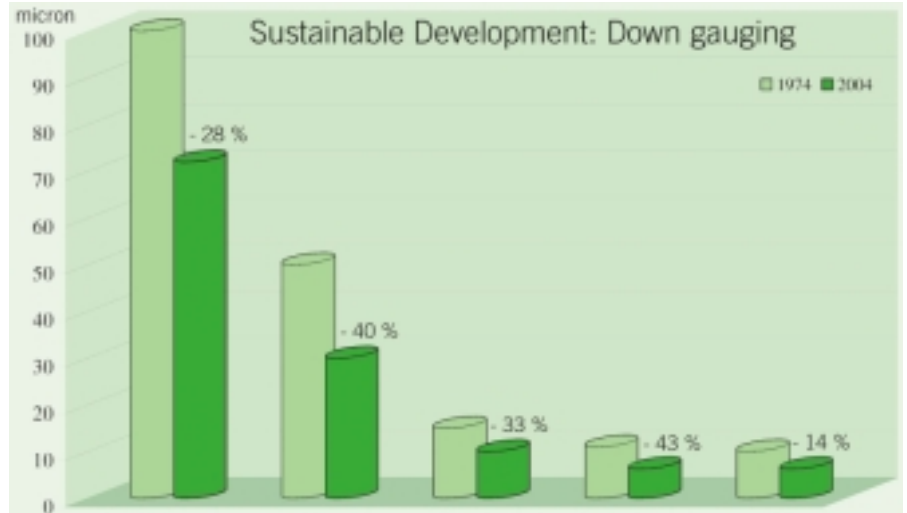


The future – a changing scene for EAFA and its members

In all industries there is one certainty – nothing remains static. By changing its structure and organisation to anticipate and meet the challenges of the past 30 years, EAFA has conditioned itself for the future. Already its members have seen the macro-economic changes brought about by globalisation and the ‘European Project’. Ongoing shifts in consumer profiles and high pressure lifestyles are also serving to alter the ways in which households spend their time and money. The adult population is becoming more mature, more discerning and look for greater convenience along with higher quality and improved environmental accountability.

National and international legislation is also making ever-increasing demands on standards of product quality, safety and of environmental care.

This is today’s fast-changing background: one of greater complexity but one in which the European Aluminium Foil Association will continue to play its full part on behalf of its members. With the success evidenced by EAFA’s past thirty years of dedicated service, flexibility and development, the aluminium foil industry can look forward with confidence.



EAFA PRESIDENTS

1979 - 1980	R. Schootstra	Vaassen Aluminium. Netherlands
1981 - 1982	H. Steen	Folienfabrikken A/S, Norway
1983	G. Berner	SAVA - Alluminio Veneto S.P.A., Italy
1984	H. Schwengler	Schuepbach AG, Switzerland
1985	C. Riss	Cegedur Div. Rhenalu, France
1986	C. J. v. Lattorff	Folienwalzwerk Brüder Teich AG, Austria
1987	D. Peden	Star Aluminium Ltd., UK
1988	A. Bezares	Tobepal S.A., Spain
1989	P. W. Gericke	VAW Vereinigte Aluminiumwerke AG, Germany
1990	S. Paulsen	Nordfoil Odense Flexible ApS, Denmark
1991	V. Roncoroni	SAFTA S.P.A., Italy
1992	C. G. Catsaros	ELVAL, Greece
1993	J. Homan	TEICH AG, Austria
1994	J. Deutsch	LAWSON MARDON NEHER AG, Switzerland
1995	M. Delatte	PECHINEY EMBALLAGE ALIMENTAIRE, France
1996	P. W. Gericke	VAW aluminium AG, Germany
1997 - 2000	P. Royer	Eurofoil SA, Luxembourg
2001 - 2004	L. Frigerio	Carcano Antonio S.p.a., Italy

1974 - 1978 records are not available

EAFA MEMBERS



Converter Group

A&R Carton (Germany)
AB TEFCO (Sweden)
Al Invest Bridlicná (Czech Republic)
Alcan Packaging Rorschach (Switzerland)
Alcan Packaging Lüdenschaid (Germany)
Alcan Packaging Berlin (Germany)
Alcan Packaging Tscheulin-Rothal (Germany)
Alcan Packaging Sélestat (France)
Alcan Packaging Italia (Italy)
Alcan Packaging Kreuzlingen (Switzerland)
Alcan Packaging Bridgnorth (UK)
Alcan Packaging Sarrebourg (France)
Alcan Packaging Singen (Germany)
Alcoa Embalaje Flexible (Spain)
ALU Folien - Veredelungswerk (Germany)
Aluberg (Italy)
Alucoat Conversión (Spain)
Aluflexpack (Croatia)
Amcors Flexible Europe (Sweden)
Amcors Flexibles France (France)
Amcors Flexibles Helio Folien (Germany)
Amcors Flexibles Schüpbach (Switzerland)
Amcors Flexibles Tobepal (Spain)
ASAS Packaging Printing Industry (Turkey)
Avenir Print Service (France)
Beucke & Söhne (Germany)
Breger Emballages (France)
Carcano Antonio (Italy)
Cellografica Gerosa (Italy)
Chadwicks of Bury (UK)
Comital (Italy)
Constantia Emballages France (France)
Danapak Flexibel (Denmark)
Flexium (Germany)
Frantschach Coating (Austria)
Goglio Luigi (Italy)
Haendler & Natermann (Germany)
HUECK FOLIEN (Germany)
Huhtamaki Deutschland (Germany)
Hydro Aluminium Deutschland (Germany)

ISPAK (Turkey)
K Heyer (Austria)
KÖBAL Light Metal Works (Hungary)
L Nusser (Germany)
Leeb Folien (Germany)
Ludwig Fr. Noltemeyer (Germany)
Multifoil (UK)
NORDENIA INTERNATIONAL (Germany)
NYCO flexible packaging (Switzerland)
Pechiney Scheuch (Germany)
Pechiney Soplaril Flexible Europe (France)
Reuther Verpackung (Germany)
Richard Laleu (France)
Rusal (Russia)
S.M.P.M F (France)
Sopal (France)
SOPAL PKL Flexible Verpackungen (Germany)
Symetal (Greece)
Teich (Austria)
Vaassen Flexible Packaging (Netherlands)
Wipak Walsrode (Germany)
Wipf (Switzerland)



Container Group

Alcan Packaging Ohle (Germany)
Alcan Packaging Zutphen (Netherlands)
Alupak (Germany)
Alupak (Switzerland)
Bachmann ALUTEC Aluminium (Germany)
Comital-Cofresco (Italy)
Contital (Italy) Coppice Alupack (UK)
Ecopla France (France)
Europack (Italy)
Mazlum Ambalaj Sanayi Ve Dis Ticaret (Turkey)
Nicholl Food Packaging (UK)
Palco Envases de Aluminio (Spain)
Plus Pack (Denmark)
Teich (Austria)
Watson & Watson (UK)

*Joins the association in October 2004



Roller Group

Al Invest Bridlicná (Czech Republic)
Alcan Packaging Lüdenschaid (Germany)
Alcan Packaging Ohle (Germany)
Alcan Packaging Bridgnorth (UK)
Alcan Packaging Singen (Germany)
Alcoa Europe (Spain)
ALCOMET (Bulgaria)
Assan Demir ve Sac San. (Turkey)
Carcano Antonio (Italy)
Comital (Italy)
Elval (Greece)
Hydro Aluminium Deutschland (Germany)
Hydro Aluminium Inasa (Spain)
Hydro Aluminium Rolled Products (Norway)
Hydro Aluminium Slim (Italy)
KÖBAL Light Metal Works (Hungary)
Laminazione Sottile (Italy)
MFC aluminiumfolie merseburg (Germany)
Pechiney Eurofoil (Luxembourg)
Rusal (Russia)
Teich (Austria)
Uralskaya Folga (Russia)



Rewinder Group*

ALPACK EUROPE (Italy)
Baco Consumer Products (UK)
CeDo (UK)
CHILWOOD (UK)
Cofresco Frischhalteprodukte (Germany)
Comital-Cofresco (Italy)
Fora Folienfabrik GmbH, Germany
ITS Foil & Film Rewinding (Netherlands)
RUL-LET (Denmark)
SP Metal (France)
Wrap Film System, UK

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