



FIPAGO ANNUAL NEWSLETTER

1. Introduction President FIPAGO

Dear Member,

In this edition of the annual Newsletter I am happy to announce that we made considerable progress in the process of co-operation with our German colleague-association FIBEPA. In a fruitful meeting, last year both associations expressed their intention to come to a merger in due time. This development will strengthen the basis to defending the interests of our industry. We hope to be able to complete the process later on this year. We are intending to organize a common congress. This will be a special one: it is the 50th Fipago congress since the foundation in 1957.

During our June 2005 Congress at Porto it was confirmed that our markets are getting stable after a long period of declining. It was generally felt, that our products still meet the needs of a variety of customers and that it will be a real challenge to keep looking for new applications. The recognition that the economy is recovering in many parts of the world can be a stimulus for our industry as well. The energy-costs still remain a negative factor. The economy has to adjust to it as it looks like these costs will stay on a higher level for a longer period of time.

I hope you will join us during our next congress where we can exchange views on both, the current and future position of our industry. Date and place will be published as soon as possible. I wish you all a fruitful 2006!

Enrique Arconada López
President

February 2006



Newsletter FIPAGO 2006

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2. REPORT FIPAGO CONGRESS

Porto Portugal 2-3 June 2005

Market gummed paper tapes still differs in the various countries.

The 49th annual FIPAGO congress took place on 2-3 June 2005 in Porto, Portugal.

An overview of the general economic situation and situation on the gummed paper tape market in the various countries were presented by participants.

It was generally felt, that the most reliable figures are related to the consumption of starch.

The long-term trend shows a market decrease of 60% compared to the early 90's. However, the situation is getting stable as from the year 2001.

It was decided to order a market survey book, published by the Chem Quest Group in Cincinnati (USA). Copies were distributed among the Fipago members.

The situation on the European Corrugated Board market was presented by the delegate. This information was sent to the members as well.

Standards

On the basis of a questionnaire, additional standards have been developed on weight, width, length, core diameter, method of packaging and unit of pricing. It was agreed that third parties, on their request, may be provided with these standards.

Test paper

Fipago is out of stock. The association is in the procedure providing additional test paper in order to refill this gap.

Co-operation FIPAGO and FIBEPA

It was agreed to organise a meeting with representatives of both organisations. The meeting took place on September 9th. (reported under point 3)

Congress 2006

Depending on the progress, made on the co-operation between FIPAGO and FIBEPA, the date of the next congress will be fixed in June or September. It will be a special congress: the 50th!

We will let you know about as soon as possible.

3. Members

Attached you will find the latest list of FIPAGO members. Our member, the German Neubronner Company, celebrated its 100 anniversary at the beginning of 2005.

Considering the poor membership of both organizations, it was generally felt that a closer co-operation of Fipago and the German association on gummed paper tape, Fibepa, would be very welcome. A broader base will secure the necessary care for providing the continuously needed defend of the interests of our industry. A first official meeting was held on September 9th. in the Netherlands (Loosdrecht) during the FIBEPA annual meeting.



Representatives of both associations declared to be convinced of the necessity of a merger. Two representatives of both associations were asked to come together and to try to prepare proposals on the following subjects:

- Name of the organisation
- Appointment of a managing director
- Membership
- Costs and contribution
- Timeschedule
- New statutes

The first proposals were supplied by the end of 2005 and the beginning of 2006 and will be discussed in due time. During this year we will keep you informed.

4. Activities

FIPAGO's activities are based on the following mission statement:

FIPAGO MISSION STATEMENT

“To develop a program to expand the gummed tape industry by educating and informing the commercial and industrial public of the superior performance of gummed, reinforced and plain paper tape as the modern natural carton-sealing system”.

Web Site: www.fipago.org

FIPAGO still needs the support of members, especially on the issue of “frequently asked questions”. We have to do both, to put the relevant questions and to supply the right answers. Please send us your input, preferably by mail to info@fipago.org. We also appreciate receiving your comments on the site and news from your company or your country. We will publish your information on the web page.

5. Facts on the Corrugated Board Industry

Total shipments in billions of m²

	2003	2004	2004/2003 %
North-America	41.3	42.4	+2.7
Asia	48.6	53.0	+9.0
Western Europe	40.9	41.6	+1.7
Latin America	7.4	8.2	+9.7
Africa	1.7	1.7	+2.0
Oceania	2.3	2.3	+2.3
<i>World</i>	142.1	149.1	+4.9

Source: ICCA



The industry's structure Europe
(incl Eastern Europe)

European corrugated Industry	2003	2004	04/03 %
Shipments in billion m ²	38.0	39.2	+ 3.2
Shipments in 1.000 tons	20.6	21.1	+ 2.4
Number of companies	491	497	+ 1.2
Number of plants	741	749	+ 1.1
Number of corrugators	718	731	+ 1.8
Consumption of paper in 1.000 tons	22.808	23.316	+ 2.2
Die-cut boxes in a % of total shipments	40	42	+ 5.0
Average weight of corrugated board in g/m ²	541	539	-/- 3.7

C. Paper consumption by grade

	2004	2003
Virgin fiber grades	28.0%	28.6%
Recycled fiber grades	72.0%	71.4%
Total	100%	100%

D. Classification of shipments by end-use sector as a % of volume, in various European countries

2004

Country	Food	Non-food
Spain	57	43
Great Britain	43	57
Netherlands	51	49
France	55	45
Sweden	32	68
Germany	34	66
Italy	31	69



E. Die-cut boxes as a % of total shipments in m²

	2003	2004
Austria	54	54
Germany	40	41
Spain	54	55
Great Britain	30	31
Italy	38	39
The Netherlands	37	37
Sweden	47	49
Turkey	18	32

Source: FEFCO annual reports

6. Environment, food contact and transport of dangerous goods

Gummed Paper Tape fulfils all the requirements to enable the paper and board chain improving recycleability of the used packaging. Both, the boxes and Gummed Paper Tape as the appropriate closing method, form a mono material packaging.

Individual packers/fillers will have to comply with “essential requirements”, including standards for packaging material concerning prevention, reuse, recycling and the content of heavy metals. These standards are most important for the individual paper and board converting manufacturers, as well as for packers/fillers. In Europe, the national standardization bodies can supply all the necessary information.

Food contact

European Corrugated and Solid board plants can get awarded a certificate, indicating that the packaging has been manufactured corresponding to high food safety levels. This Good Manufacturing Practices (GMP) standard is a guarantee to customers in the food industry. Additional information is available at the secretariat

Transports of dangerous goods.

Regarding transports of dangerous goods, attention has to be paid to a UN regulation. Special demands are reported on the closing methods of packaging. Click on the web part below for further information:

<http://www.unece.org/trans/danger/publi/adr/adr2005/05ContentsE.html>

Relevant information is presented under the heading:

Annex A: General provisions and provisions concerning dangerous substances and articles, chapters "part" 4 en "part" 6 (especially 6.1.4.12).



7. Organizational Matters

FIPAGO Board:

President:	E. Arconada López	Ibergum S.A.	Spain
Treasurer:	J. Clasener	Sopal B.V.	The Netherlands
Members:	P.A. Bennett	Tapekraft Ltd.	UK
	E. Elgart	Sopal S.A.	France
	A. Zucchelli	Cyklop s.r.l.	Italy
	B. Vanpoucke	Avebe	The Netherlands

Fees:

The board decided to keep the 2006 fees at the same level as in the previous 5 years, so there will be no increases. Fees are:

Large members	€1430,00
Other members	€ 720,00

8. FIPAGO Publications 2005

* FIPAGO Newsletter January

* Documents Congress 2005 June

The web page www.fipago.org is still functioning. FIPAGO Brochures on the advantages of Gummed Paper Tape and equipment are still available at the secretariat in the languages English, French, German, Italian and Spanish.

9. Review FIPAGO Congresses 1957-2005

See enclosure.