



### **The flexible packaging industry which is developing parallel with the food industry and Flexible Packaging Fair PACK-IST**

In recent years Turkey Packaging Industry is the fastest growing sectors. Although the packaging industry decreased 5% in 2009, after 2010 growth with 17,6 % the sector entered a recovery period. Rapid urbanization, population growth, rising living standards, the increase of women's at working life, changes in consumers habits, along with spread of shopping centers increase of retail shopping trends, increase in the demand for consumer products and increasing of exporting are the key factors of the sector's rapid development.

Turkish packaging sector turned the opportunity of the decline in demand and financial crisis in Europe. The sector has risen to an important position with increasing demand especially in the flexible packaging industry.

### **PACK-IST Fair is a strong brand platform on a global scale that growing segment of flexible packaging sector**

In Turkey at the field of technology, production and export of flexible packaging sector which occurring this rapid acceleration is caused the branding of sector, developing awareness of the vision and discovery in worldwide.

In parallel of these developments appeared to need an exhibition in Turkey's flexible packaging sector. FASD (Flexible Packaging Manufacturers Association) is a sectoral structure which is working for development as a whole of the flexible packaging sector and aims to join the flexible packaging manufacturers leading suppliers of the world market. Also they are successfully represents all the members of Turkish Flexible Packaging Industry from national and

international platform since 2005.

FASD (Flexible Packaging Manufacturers Association) which is working for development of the sector and Yağmur Fuarçılık which is serving nearly 20 years in the field of trade fairs are cooperated and planned to closing of the gap in the industry. With these developments Yağmur Fuarçılık and FASD cooperated for “Flexible Packaging Fair” and were successfully implemented at 2012. PACK-IST Fair was held in İstanbul Expo Center at 2012 for the first time and now it is the second in the world and first and unique flexible packaging exhibition in Europe.

One of the most important pillars of the success of the fair is the sector’s size and width of export capacity in Turkey. Flexible packaging production and sale reached 5,5 Million Euro in 2012. Currently 6.5 million Euro are estimated to have a value of production of flexible packaging accounted for four of forty per cent of the total packaging consumption. 45 percent of production is exported. Eight percent on average in 2012, the center of attraction for investors is generating growing industries in the world.

As a result of joining force with Yağmur Fuarçılık and FASD which representing a major force in plastic packaging industry was realized participating of Turkey and the world’s leading companies to exhibition. In this way the exhibitor profile of PACK-IST has gained importance in last technology, design and innovation content. Great many members of FASD enterprise in 1000 to get into the first industrial exports and size is a pleasing situation. All in all, PACK-IST Fair will catch momentum and gives the size of the basis in the near future.

PACK-IST is an important trade fair which brings visitors from more cities and countries with regular promotional activities and brings together producers and owners in hot demand on the international stage. PACK-IST is a platform that allows the opening of the Turkish producers exported. PACK-IST 2013 attracted thousands of visitors that allows the joint venture and export of many foreign and domestic. PACK-IST 2013 which was held between 23-26 May 2013 brought together the largest of the flexible packaging industry Naksan Holding, Bakioğlu Holding, Süper Film, Elif Plastik, Sümer Plastik, Asaş Ambalaj, Pilenpak Ambalaj, İntermat Ambalaj, Som Ambalaj.

PACK-IST 2013, bringing together qualified visitors as every year, plastics and packaging industries as a result of intensive promotional activities, from 42 countries including Turkey has achieved great success. Participants also engaged in commercial interviews at exhibition

participants quite satisfied intense interest in domestic and foreign visitors. Providing business development, establishing business contacts, many participants had the opportunity to connect with potential customers. PACK-IST 2013 participants had the opportunity to meet visitors from 42 countries from abroad. Visit the main countries that perform, Iran, Germany, Jordan, Bulgaria, Azerbaijan, Iraq, Israel, United Arab Emirates, Tunisia, Romania, Saudi Arabia, Italy, Russia, Syria, Bosnia and Herzegovina, Egypt, South Africa, Ukraine, Algeria, Czech Republic, Sweden, Kazakhstan, Greece, Armenia, Ireland, Cyprus, Libya, Macedonia, Turkmenistan, Georgia, India, Holland, Spain, Lebanon, Luxembourg, Uzbekistan, Belgium, France, England, Qatar, Kuwait, Morocco.

PACK-IST 2015 Fair will be held 3rd times between 2-5 April 2015 promotion activities are intensive than last years and introductions are focused on overseas. Yagmur Fuarçılık and FASD plans and aims about PACK-IST 2015 are to increase the interests the foreign participants and visitors and bring together the qualified visitors and participants in İstanbul Expo Center.

PACK-IST Flexible Packaging Fair will be achieved success near future in flexible packaging industry which is developing parallel with the food and beverage industries in Turkey.

### Food and beverage industries in Turkey

Especially in direct proportion to changes in food consumption patterns developing Turkey Food and Drink Industry, the last 10 years played an important role in the development of our country and of our people. Today food industry has achieved 280 billion TL in gross domestic products, 35 thousands operations and more than 345 thousands employees and Turkey's economy has become one of the largest manufacturing industries. Innovative products that produced in Turkey is served directly to the world market.

Macroeconomic data in Turkey

GDP

+%9,2 Growth with current prices 1.416.817 million TL

CPI

+%8,89 Average increase compared to twelve months

+ %6,16 According to the same month of the previous year

PPI

+ %6,09 Average increase compared to twelve months

+ %13,33 According to the same month of the previous year

WPI

+ %6,09 Average exchanges compared to twelve months

Foreign Capital Investments

-%61 9,968 million dollars in 2011

Export-Import

+% 13,1 exports increased to \$ 152,561 million dollars

-% 1,8 imports increased to 236,537 million dollars

Privatization

-% 55,98 1.358 million dollars

Investment Incentives

Investment incentives 370.062 million TL

Food and Beverage Industry economy in the world which contracted in 2012, the contraction will continue in 2013 that explained with an example EU. In spite of the economic crisis foreign trade of EU Food and Beverage Industry at first six months in 2012 has increased nearly twice than first six months in 2011.

### **Growing trend in the food industry**

In recent years Food and Beverage Industry in Turkey has achieved high growing trend even though slowed a little in 2012, has continued to grow. Because of the 2012 was the "soft landing year" for Turkey economy. The World Bank, the IMF, the OECD reports that our country survived this transition. However, the increase in export volume of our industry for last 10 years has been almost more than three times than the average world. Turkey is the 15th food and beverage exporter in 2010 according to Eurostat. Turkey Statistical Institute (TÜİK) announced in 2012 that "Annual Industry and Service Statistics 2010, according to"; In 2005, the Food and Drink Industry 30717 Number of enterprises in 2010, an increase of 4,914 units (16%) reached 35,631. 35,172 of businesses' are operates in food industry and 459 are in beverage industry.

### **The food industry production value is rapidly increasing**

Food Industry & Beverage Industry is analyzed in two sub-groups; Food Industry production value of £ 36.6 billion in 2010 compared to 2005 (85.3%) increased to 79.5 billion, Beverage Industrial production value of £ 2.4 billion in the same year (76%) increased by 5.5 billion is increased to TL. Food and beverage industry requirements of the industrial production value in the share of manufacturing production both increased in 2010. In 2005, the Food and Beverage Industries of the industrial sector's share in production of 12.7%, while this share was increased 16,4% in 2010. Considering the rate of increase in annual production index, industrial and manufacturing production in 2012 of 2.5% and 2.3% respectively, while in the Food Industry 3.6%, with higher rates Beverage Industry also showed an increase of 7.9%. Between the 2001-2012 years export rate of food and beverage industry was increased from 2 billion dollars to 9.5 billion dollars. In the same period industrial and manufacturing industry increased with Turkey's total export. Food and beverage industry that made the top 10 countries are Iraq, Germany, UK, Netherlands, USA, Libya, France, Saudi Arabia, Italy and Israel.

### **Growth in flexible industry**

The Chairman of FASD Enver Bakioğlu explained the target of the flexible packaging industry in an interview that published on the May 2014 issue of magazine of Plastik Ambalaj Teknolojisi: "To be a production base of flexible packaging industry of Europe in 2020." and said "I would like to say proudly, that the industry of flexible packaging achieved successes of significant export in line with this target".

Enver Bakioğlu evaluated the Flexible packaging industry and the latest situation of the sector in Turkey, made detailed description about PACK-IST and reported that the PACK-IST is very important for them. He decelerated "Flexible packaging industry, as a necessity of modern life tends to continually grow. This trend is directly reflected in economic data. Flexible packaging industry size has increased USD 74 billion worldwide in 2012 while in Europe was 11.9 billion euros. While in Western Europe the growth rate is 2% in Eastern Europe is around 6 %. On the other hand the growth rate in Turkey is estimated to be in the 8 percent level. Flexible packaging sector in Turkey in 2012, has created economic value of TL 6.5 billion, has provided employment to over 10 thousand. Export oriented, and new technologies based on continuous investment in Turkey, which is a Growing trend in flexible packaging industry, is to look to the future with confidence".

Flexible packaging sector as a necessity of modern life and brief details are given above, in proportion to the increase in food and beverage industry is in a continuous growth trend is directly reflected in economic data. Flexible packaging industry has been drawing rising graphic since 2005 and also has become the largest sector with production capacity of 1,241 million dollars in 2012 recent years.

**Changes in values in 2011 and 2012 are shown in Table 1:**

	Net sales from production (USD)	Export (USD)	Number of employees
2011			
	5.060.312.118		
			1.240.971

7.417

2012

5.400.476.129

1.145.356

9.137

Variation %

6,72

-7,70

23,19

Table 1: Comparison of 2011 and 2012 years.

The increase in the number of employees, flexible packaging industry shows that the contribution to employment is increasing. Looking at previous years' assessments of flexible packaging in the packaging industry, and at a rate nearly half that weight, the weight seems to be continuing. Packaging industry's export ratio fell to below 25% for the year 2012, which tends to over 50% in the flexible packaging industry in 2012 showed that 40% begins to decrease toward the bottom.

Flexible packaging industry in 2009 - with 3.07% growth rate around 30% while watching the next two years, the value has dropped to 6.72% in 2012.