AEROBAL

International Organisation
of Aluminium Aerosol
Container Manufacturers

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Press release

2008 another successful year for aluminium aerosol cans

Satisfactory year 2008 despite slackening demand in last quarter

Despite declining demand for aluminium aerosols in the last quarter of 2008, annual production increased to around 5.7 billion cans. This is a remarkable increase of 8 per cent over 2007, which already was a record year for the aluminium aerosol can industry. Thus aluminium cans account for 44 per cent of the global aerosol can production of approximately 13.1 billion units. With the exception of the Middle East, shipments to all continents increased in 2008.

76 per cent of all shipments are sold to the cosmetics market. The key areas in this market segment in 2008 were deodorants with a 46 per cent share of total shipments, hair mousses with 11 per cent and hair sprays with 10 per cent, followed by shaving foams with 3 per cent. The share of other cosmetic products amounted to approximately 6 per cent. In 2008 deodorants and hair mousses were the driving force behind the expansion in the cosmetics market. The remaining 24 per cent of total shipments were accounted for by household and chemical/technical products (11 per cent), pharmaceuticals (5 per cent), food (3 per cent) and other products (5 per cent). In the food sector which increased by about 17 per cent the aluminium aerosol can benefitted from several new applications such as vegetable oils or gelatine spray.

2009 - a challenging year for the industry

In the wake of the international economic crisis it is likely that the era of continued growth in the aluminium aerosol can industry will take a breather in 2009. Order income has significantly decreased in the first quarter because customers are largely destocking and ordering at short notice only. Short-term orders and increasingly smaller runs require utmost flexibility from aluminium aerosol can producers. Nevertheless, demand cuts in the aluminium aerosol can industry which is mainly supplying the cosmetics, household, pharmaceutical and food market are not as drastic as in other sectors such as the automobile or chemical industry. Demand for everyday and pharmaceutical products is less vulnerable to cyclical changes.

A positive side-effect of the economic slowdown are declining raw material and energy prices which should help to reduce production cost. Lower aluminium prices and simultaneously rising tinplate prices should also improve the competitive situation of aluminium aerosols because some customers might consider to switch from tinplate to aluminium cans.

“The industry hopes that demand will increase during the second half of 2009 when customers might feel the need to replenish their stocks to avoid out-of-stock situations at the point of sale. The aluminium aerosol can industry is developing innovative solutions to reduce costs and offer attractive packaging to be in a good position to catch opportunities after the crisis”, says Emmanuel Perret, President of AEROBAL.

Innovative solutions needed in the crisis

Despite the current economic slowdown, aluminium aerosol container producers are optimistically looking ahead.

Together with suppliers and customers technological improvements along the entire supply chain can be achieved for a better sustainability of the product. For example, thanks to new valve systems it is possible to pack the same amount of active ingredients in a smaller can because less propellants and solvents can be used. Also water-based formulations, which have a better environmental performance than alcohol-based systems, are increasingly used in the market. Aluminium cans because of their excellent performance against corrosion are well suited to water-based systems. In addition powder coatings are developed together with coating suppliers allowing to remove solvents and to save up to 50 per cent of the energy needed for curing. Another good example for the aluminium aerosol can’s technological potential is the bag-on-valve system which is using compressed gas as propellant. These systems are tailor-made for formulations where the active ingredient has to be separated from the propellant. For all these applications aluminium aerosol cans offer their powerful technological potential.

And also in the decoration area several improvements can be offered, from full body shaping to high definition printing and the thermo transfer technology. All these developments give aluminium aerosol can producers good reasons to believe in a flying start after the crisis.

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