



##Produkte aus Papier & Karton#

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Everyday heroes:

PROPAK – Produkte aus Papier und Karton

A sector is repositioning itself: products made of paper and cardboard – versatile, attractive and forward-looking.

Vienna, April 2015 – A cold without paper hankies? Drinks without cartons? Transport without packaging? Products made of paper and cardboard are an integral part of everyday life. Each one of us comes into contact with them every day. Products made of paper and cardboard are an essential element of the Austrian economy. As well as packaging, hygienic paper products, books, brochures, labels, stationery, playing cards and other paper products also make up the portfolio of industrial manufacturers of products made of paper and cardboard.

An independent, varied sector

The Austrian Professional Association of the Paper Converting Industry is the sector's representation of interest within the frame of the Austrian Federal Economic Chamber. In order to express the sector's independence more strongly so that its members, the public and also adjacent branches of industry can already recognise the sector's independence from its name, a rebranding process has been launched and a new umbrella brand developed for the three associations working for the industry.

From the 1 April, the sector will appear under the new name **"PROPAK – Produkte aus Papier und Karton"**. Accordingly, the statutory representation of interest is becoming the Professional association PROPAK (Professional Association of Industrial Producers of Products of Paper and Cardboard in Austria), the entrepreneurs' association PPV AUSTRIA is becoming **"PROPAK Austria"**, and the training association Schulverein is becoming the **"Bildungsforum PROPAK"** (Training Forum).

"This new umbrella brand is very important to us," says Chairman Georg-Dieter Fischer, adding: "because to date our companies have repeatedly been confused with the *paper industry*. But we do not produce any paper. Rather, the PROPAK members convert and refine paper and cardboard into products with an incredible diversity!"

STUDY: THE ECONOMIC SIGNIFICANCE OF PROPAK

Commissioned by PROPAK, the Institute of Industrial Research (IWI) analysed the "Structure and economic significance of industrial producers of products made of paper and cardboard in Austria". Some results of the study in brief:

- PROPAK comprises 96 companies and boasts a total number of 9,128 employees in Austria (industrial enterprises, not counting crafts businesses).
- The company sizes range from below 20 up to 500 employees.
- The production volume totals 1.1 mn tons, the annual production value is € 2.2 bn.
- When adding indirect effects, PROPAK generates a production value of some € 5 bn and an added value of € 1.6 bn.
- It therefore creates up to 33,017 employment relationships. This corresponds to a share of 0.76 percent of all employment relationships in Austria (in the year 2012).

PROPAK's efficiency is not only revealed in the companies themselves, however. Herwig W. Schneider, Managing Director of the Institute of Industrial Research (IWI), explains: "One euro of value created by PROPAK generates € 2.76 in the overall Austrian economy." Or in other words: "One PROPAK employee creates 3.57 additional jobs in Austria!"

New study programme on packaging technology

"Increasing requirements for qualifications represent a major challenge for PROPAK's member companies," explains Martin Widermann, Managing Director of PROPAK. "Access to well qualified staff often turns out to be more difficult than access to capital." With its Bildungsforum PROPAK (Training Forum), PROPAK makes an important contribution to providing and extending the available range of training programmes.

As well as the classic apprenticeship "Packaging Technology", additional initial and continuing vocational training programmes are offered in the form of the industry-specific course "Packaging Technology" and the seminar series "Packaging Professional". And from autumn 2015 onwards, the first part-time study programme "Packaging

Technology" will be launched at a university of applied sciences with the support of PROPAK.

So that the public is also aware that it is an attractive employer, PROPAK has developed an employer brand under the slogan "Packen wir's!" ("Let's wrap it up!") and set up a related website at www.packenwirs.at. This targets young people in particular and offers information about training programmes and the sector.

BUSINESS YEAR 2014

The business year 2014 was characterised by difficult market conditions for PROPAK. The volatility and short-term nature of incoming orders made planning difficult for the PROPAK companies.

In the first three quarters of 2014, the sector generated growth of +2.9 percent in value to € 1.6 bn and of +2.6 percent in volume to 840,000 tons. In terms of sales, development was slightly weaker with +2.0 percent in value and +1.8 percent in volume. Over the year, however, the development showed a steady decline, in the third quarter there was practically no more growth compared to the same period in the previous year. For the whole year, the sector expects a growth in volume of no more than +1 to +1.5 percent. If economic framework conditions remain unchanged, the industry expects growth of the same scale for 2015.

The number of staff in PROPAK member companies is stable in the long term, at a level of 9,500 employees (industrial and crafts enterprises). Due to the difficult price situation and fierce international competition, increasing costs represent a major challenge. One major political goal of the sector is an improvement of framework conditions, in particular flexibilisation of working hours is urgently needed in order to continue to remain competitive.

About PROPAK

The professional association **PROPAK** and the **association PROPAK Austria** stand for the industrial producers of products of paper and cardboard in Austria. 110 companies process and treat with 9,500 employees in Austria every year more than 1 million tons of paper and cardboard to corrugated board, packaging, hygienic paper products, stationery, books and brochures and other paper products. Taking into account a wide range of printing their products, the PROPAK industry, in particular the packaging sector, is also provider of media services.

The professional association **PROPAK** is the legal representation and a public corporation within the frame of the Austrian Federal Economic Chamber. The Association is a member of the European Federation CITPA (International Confederation of Paper and Board Converters in Europe).

The **association PROPAK Austria** is a free entrepreneurs' association and a platform for the following sub-branches: corrugated board industry, folding carton makers, industry of flexible packaging, beverage carton producers, industrial bookbinders, cores and tubes industry and cardboard boxes makers.

The **Bildungsforum PROPAK** (training forum) is the operational organization of the industry in all matters of education and training.

Website: www.propak.at

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