

**Press release
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Processing and packaging enterprises leverage exports and anticipate recovery: Ipack-Ima technologies do well in 2014

Italy's economy is showing some tangible **positive signs**. They come from companies making up the processing and packaging supply chain: manufacturers of machinery, materials and services distributed across no less than 9 business communities, including both technology suppliers and users. This ensemble is what is referred to as the Ipack-Ima sample, from the name of the international exhibition showcasing them, which in turn names the Observatory studying their dynamics. In the balance of the first semester 2014 and forecasts for the second semester the Ipack-Ima sample shows good performance for companies operating along the entire production chain.

The Ipack-Ima Observatory analysis report, edited by **professor Giampaolo Vitali** of the Business Economists Association, clearly shows this performance is better than the Italian industry average, which suffers from the first signs of the national economy's slowdown in the first semester 2014 as well from the negative GDP growth still expected for the current year.

Companies are partially anticipating future recovery mainly due to exports: a continuous **improvement in commercial internationalization strategies** in all of the nine Ipack-Ima business communities (Beverage, Chemicals Industrial & Home, Confectionary, Dairy, Grain-Based Food, Hygiene & Beauty, Meat, Vegetable & Fruit and Pharma) is enabling them to compensate for the protracted stagnation in domestic demand. The Italian market continues to suffer from a lack of trust in the future, a variable that heavily affects the investment choices of most of Italy's small and medium-size enterprises.

The sample of technology manufacturers studied by the Ipack-Ima Observatory includes 132 companies active in different business communities employing a total of 7,000 people for € 2.2 billion in total revenues. They are mostly small to medium-size companies in the industry of machinery, materials/packaging and services. On the whole, in six out of nine business communities the sample shows a positive balance among those companies reporting an increase in revenues for the first semester 2014; in seven, companies report growing exports. The balance is also positive in terms of employment in all of the business communities, where figures show substantial stability. This proves that today, for the most part, company reorganization processes have been completed.

Similar data have been collected for technology users, albeit to different extents within each business community – which however does not affect the overall positive results. The relative sample comprises 262 companies employing 25,000 people for total revenues of approximately € 13.5 billion. It includes small, medium and large-size companies in food and non-food sectors.

It is significant that the second semester is viewed in a positive perspective by all business communities, with no exception, including those that reported a negative revenue balance in the first half of the year. More specifically, among Ipack-Ima technology suppliers revenue and exports expectations for the second semester 2014 are positive, with optimists outnumbering pessimists and the majority of companies expecting figures to remain stable. Among users, optimists also beat pessimists in terms of expectations about revenues and especially exports, which shows the crucial role foreign demand plays in kicking off Italy's economic recovery. Ultimately, it will be the ability to conquer export markets to propel the most dynamic segments forward,

especially as long as the domestic demand remains stagnant.

* The nine business communities analysed by the Observatory are the industrial sectors of **Beverage** (beverages, soft drinks, water, energy drinks, juices, baby drinks, beer, wine), **Chemicals Industrial & Home** (petro-chemicals, paints, varnishes, inks, home cleaning, detergents), **Confectionery** (chocolate, gum, candy, candied fruit, liquorice, jellies, nougat, sugared almonds), **Dairy** (milk, probiotics, yogurt, butter, cheese, cream, baby food, ice cream), **Grain-Based Food** (pasta, bread, cookies, pastries, flours, rice, cereal, couscous, feeds) **Hygiene & Beauty** (fragrances, cosmetics, personal hygiene, facial & body lotions, beauty products, personal care), **Meat** (beef, pork, poultry, mutton, goat, horse, rabbit, fish and other meats), **Vegetable & Fruit** (4th and 5th range, vegetables, preserves, fresh fruit, nuts, compotes) and **Pharma** (drugs).

For further information

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