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Can Courier

The global Ball customer magazine



EDITORIAL

Consumers of the future – and how we plan to reach them

Marketing tools today include consumer clusters, target group models, and social environments. These models allow us to better plan product innovations and create more effective messages for our target audiences. But, which models are most effective in a society that is changing with ever-increasing speed?

The cover story of this Can Courier issue is devoted to the phenomenon of the new consumer. Or more specifically, to the many characteristics of tomorrow's consumer. We know the more complex and interlinked the world becomes, the more varied and diversified the target groups will become that our marketing and sales measures must reach. You will learn which groups will play an especially important role in the beverage industry's future *on pages 20 to 25.* ↪

The beverage can has always been a multi-sensory experience. For many consumers, the refreshment begins when they touch a well-chilled can. Using the Heineken Tactile Can as a case in point, we present the haptic qualities offered by modern beverage cans, and the opportunities they offer today's beverage industry for differentiation *on pages 10 and 11.* ↪

Impressive sustainability performance data show that Ball has made significant strides in its efforts toward becoming the most sustainable company in its markets. Ball even has its own sustainability award for its facilities which are showing the most progress on sustainability goals. Find out how we are progressing on our sustainability journey *on pages 12 and 13.* ↪

"Winning with the winners" – we are working closely with our customers as they move into the world's emerging markets. From Africa to South America, the demand for beverage cans is on the increase. To learn more about which countries Ball is investing in to supply customers with quality beverage packages, read our article *on pages 14 to 17.* ↪

While traditionalists have been engaged in an ongoing dispute over the qualities of cork versus those of plastic, innovative wine producers have been reaching new target groups by packaging their wine in cans. Ball is the only manufacturer licensed to manufacture wine cans for the Australian wine maker Barokes Wines' patented Vinsafe® packaging process. More information is available *on pages 32 to 33.* //

Enough said. Now it's time for you to sit back, open a fresh can and enjoy the latest Can Courier issue.

Sincerely yours,



Mike Herdman
Chief Commercial Officer, Global Metal Packaging,
Ball Corporation



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Premium wine in a premium package

Ball is now licensed to produce cans according to the patented Vinsafe system in Europe.

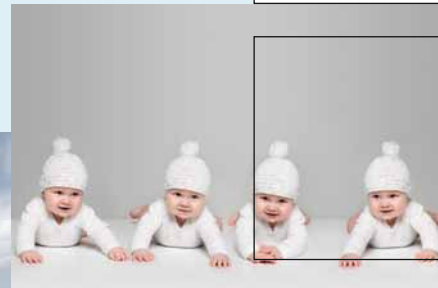
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INSIDE

*“We believe in our people
and our ability to add value.”*

An interview with John A. Hayes, the President and new Chief Executive Officer of Ball Corporation. Hayes, 45, succeeds R. David Hoover, who, after 40 years with Ball, retired as CEO and remains Chairman of the Board.

CC_Mr. Hayes, what are your thoughts as you assume the role of CEO of Ball? Have you settled into your new position?

JH_It certainly is an honor and privilege to be CEO of Ball Corporation. Our company has a rich history, and we are all fortunate to be part of an organization that recognizes the whole of our company is greater than the sum of its parts. More importantly, we believe in our people, and our company has a mindset about trying to be the best in everything we do – all the time. As with any new role, it takes a bit of time to get into a rhythm – a cadence so to speak – as to the new responsibilities, and that is coming along quite smoothly. More importantly, as an organization, we have hit the ground running this year and we have good momentum in many, many areas. ↵

CC_Ball Corporation's financial results in 2010 were the best in our history. How important is this success for you and the company?

JH_Our goal has always been to be the best in all that we undertake. There are many ways to measure success. Certainly our focus is on understanding our customers' needs and direction, and helping them succeed by offering value no one else can offer. Our focus on operational excellence, innovation, sustainability and further developing our people are also an important part of our success. We have a strategy that works, and a plan that builds on our considerable strengths. You do all these things right, and usually good financial results follow. I'm excited about where we have been and the future we are building together. ↵

CC_Ball has grown considerably in the last ten years. Will this trend continue or can we expect a consolidation phase? In other words, will Ball continue to grow?

JH_Ball has been significantly investing in all of our businesses for quite a while. Whether it has been the acquisition of Reynolds or the former MCC plants in our North American beverage can business, getting into »



“Our goal has always been to be the best in all that we undertake. Certainly our focus is on understanding our customers’ needs and direction, and helping them succeed by offering value no one else can offer.”



Europe in 2002, acquiring US Can in 2006, Neuman Aluminum in 2010, and Aerocan in 2011, or the myriad of greenfield investments in places like Serbia, Brazil, and China, these investments have been very successful over the long term. ↪

As we look forward, we continue to have a wealth of opportunities from which to grow and serve our customers – in both established and new markets. For example, to date in 2011 alone we have announced that we will have new specialty capacity coming online in our US beverage business, we’re adding new capacity in our European beverage can business, building a new beverage can plant in Brazil, establishing a joint venture in Vietnam and continuing to expand in China, let alone continuing to grow our aerosol and aerospace businesses. We are always trying to maximize value in our existing businesses and at the same time expand into new products, capabilities, and geographies. ↪

CC_Sustainability is an important theme for Ball. What does the future hold here?

JH_Long before the term “sustainability” became the word du jour, Ball was already hard at work making our products more sustainable. For example, we made beverage cans more lightweight to conserve resources and cut energy used for transport. We converted to more environmentally friendly coatings, and invested in recycling efforts to educate consumers on the many benefits of recycling cans. We are not alone in this, of course. But Ball has invested more than US\$ 40 million in energy savings projects. We are seeing tangible results. Just in the last year, our company reduced our global energy use by 2 percent and waste-to-landfill by 7 percent, based on per 1,000 units of production. Eleven of Ball’s manufacturing facilities in North America and Europe now send no waste to landfill, compared to 6 facilities in 2009. We’ll formally report on our progress in 2012. ↪

But sustainability is more than just about the environment. It is also about social sustainability, or our license to operate. It’s about being a good citizen in the communities where we operate. It’s about providing safe and clean facilities to ensure our people go home to their families in the same or better condition than they came to work. The last part to our sustainability efforts is around our economic sustainability. Here, it’s about generating good returns for those who provide our capital, it’s about having the financial means to invest in our business and create jobs, and it’s about ensuring that we stay economically viable for another 130 years. So while the term sustainability may be somewhat new, the concepts around our triple bottom line have been a part of Ball for a long, long time. ↪

CC_With the sale of the remaining plastics business last year, Ball is almost an all-metal packaging company now. How significant is this specialization for the company?

JH_We do have a great aerospace business that does amazing things, but yes, we are largely a metal packaging company. We have designed and made metal packaging since 1969, so we have been a specialist in this form of packaging for a long time. Today, we are focused on applying our many years of expertise to further leverage what we do both in existing and new markets, and to developing new products that offer value to our customers. We are very good at the manufacture of metal packaging, and we see opportunities to leverage our expertise and global platform to expand and grow our company as we supply our customers around the world. //

INNOVATION |

A difference you can feel

Heineken®'s latest beer can is the new Tactile Can from Ball. Printed using an innovative coating, Heineken cans now look unique and feel very "premium." The technology used to produce the new surface finish is the result of close collaboration between Heineken® and Ball.

For Heineken®, offering consumers a beverage can with a certain "something extra" is by no means a short-lived marketing promotion. In a market in which private distributor brands label their beers with a "premium" distinction, packaging is a key means of differentiation. Visually and with the first touch, the Tactile Can delivers on the Heineken® brand promise. "Unique," "sophisticated," and "quality" were the attributes associated by consumers with the can in preliminary tests performed in the United States in 2010. →

Differentiation taken a step further

The Tactile Can represents the next logical step for Heineken® in its differentiation strategy. Heineken® has always been at the forefront of innovation in cans and has launched shaped and embossed cans which produce great 3-D effects. Tactile cans are the next evolution and the new technique creates filigree patterns, which, although subtle, are immediately noticeable to the touch. Combined with a clever color scheme incorporating light and dark green hues, the new finish endows the Heineken® can with an unmistakable premium character. →

"The package features a combination of stylish design and elements that appeal to the tactile sense, raising the level of enjoyment for consumers," says Filip Wouters, Heineken USA Marketing Vice President. "Moreover, the new design stands out better on the shelf." Besides Ball's technical expertise, the product designer's ability to utilize the full potential of the new technique proved decisive to the project's success. "The technology was optimized through close collaboration with our customer and suppliers," explains John Reed, Manager Product Commercialization at Ball. →

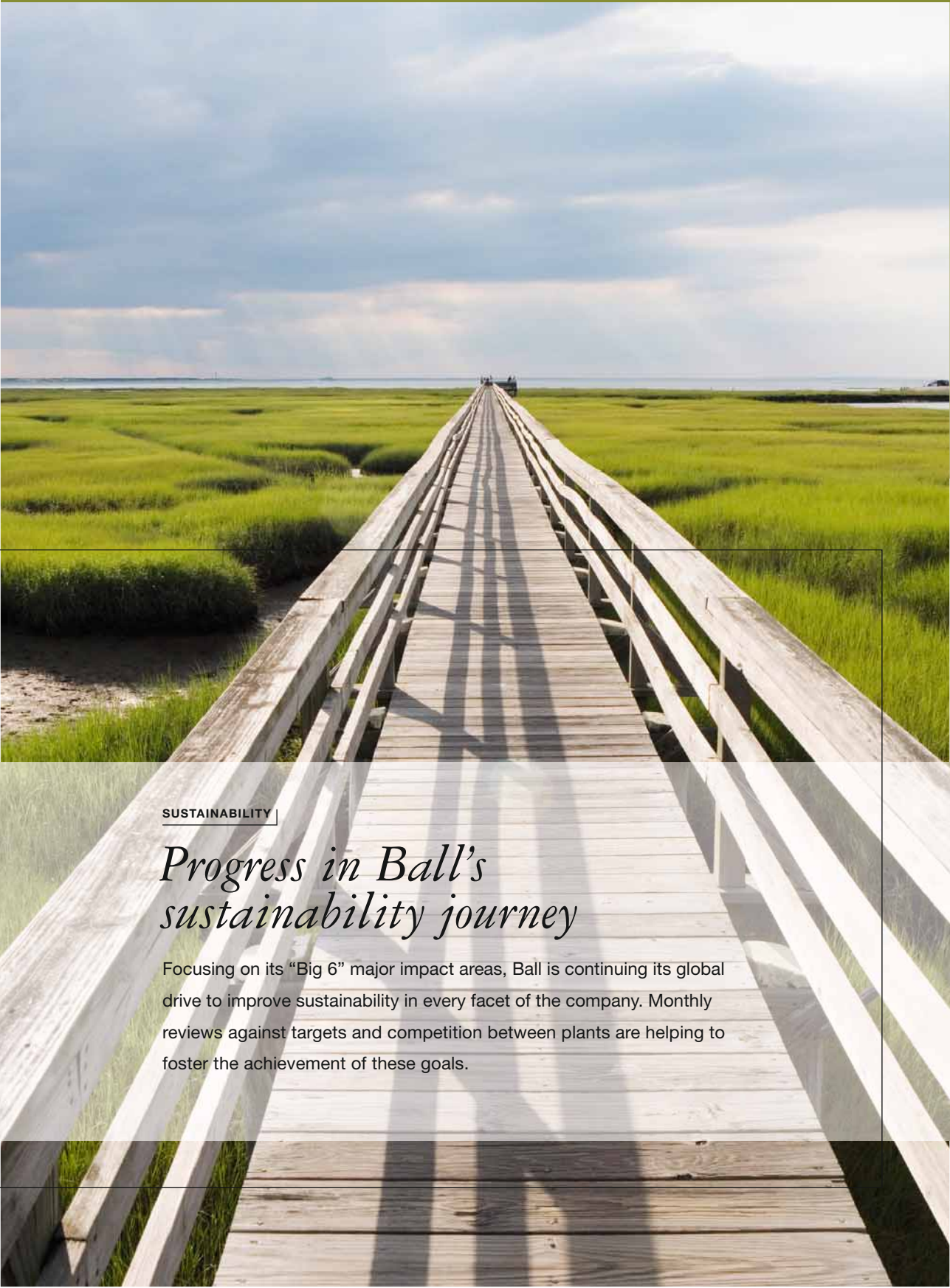
Tactile design is capturing the world's senses

The new cans have already begun their triumphant advance into markets across the globe. Following their introduction last year in Poland, they have established their presence in Bulgaria, Hungary, Taiwan, Mexico and the USA. The Tactile Can will become familiar as Heineken®'s latest installment in a generation of innovative cans. Ball is the first manufacturer able to produce the Tactile Can in large volumes. John Reed sees a promising future: "We are very excited to see what other advanced innovations will emerge in the future through similar collaborations!" //

Heineken® is convinced the new generation of innovative cans will produce tangible results.



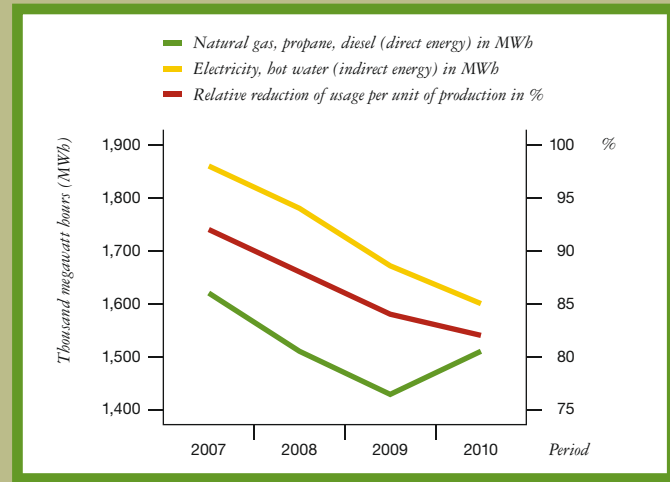
See, feel, and touch: The Tactile Can's tactual surface significantly raises the level of enjoyment for consumers. A new printing technique gives the cans a noticeable textured finish.



SUSTAINABILITY

Progress in Ball's sustainability journey

Focusing on its "Big 6" major impact areas, Ball is continuing its global drive to improve sustainability in every facet of the company. Monthly reviews against targets and competition between plants are helping to foster the achievement of these goals.



Ball Corporation's energy use (2007–2010)

Ball has established fixed targets for the reduction of energy and water usage and waste. For example, it is targeting an overall energy use reduction of 7.3 percent per 1,000 manufactured units for 2010–2011. ↪

Measuring and inspiring achievement

To monitor our progress in the achievement of sustainability goals, performance figures are reviewed monthly at both the plant and division levels. And in the future, each plant's usage of electricity, natural gas, water and production of waste per 1,000 manufactured cans will be published on Ball's intranet portal for increased transparency. Individual plants also have the opportunity to share their success stories via the portal. These measures are designed to motivate each Ball employee to drive sustainability improvement. To further facilitate progress, internal energy efficiency experts regularly visit plants to conduct audits, provide information, and make recommendations for improving efficiency. ↪

Internal competition

Still more inspiration for improvement will be provided by the "Dave Hoover Sustainability Award," named after Dave Hoover, Ball's former CEO who recently retired. Ball's sustainability focus was fostered by Dave and it is very fitting that the award bears his name.

Annual competition between the individual plants for the award takes place based on a scoring system with points awarded for specific achievements, for example, energy savings of 4 percent over the previous year is valued at 10 points. ↪

Even without these new incentives, Ball has already picked up substantial momentum on its sustainability journey, as the following figures demonstrate:

_In 2010, Ball reduced company-wide energy use by 2 percent, and waste-to-landfill by 7 percent (per 1,000 units).

_Also, Ball has been selected for two sustainability and social responsibility indexes: The Calvert Social Index®, a benchmark for measuring the performance of US-based sustainable and responsible companies, and the FTSE4Good Index Series has selected Ball as a member for the third consecutive year.

_In addition, SAM's annual Sustainability Yearbook recognized Ball as a 2011 Bronze Class Sustainability Leader. The SAM results provide the basis for the Dow Jones Sustainability Indexes. ↪

Even with these examples of progress, Ball recognizes that true sustainability success depends on cooperation throughout the supply chain. Customers interested in pursuing mutually beneficial sustainability opportunities are invited to contact Ball. //

CAN MARKET

Ball expands globally in growth markets

Status symbol, quick chilling, durable or just downright convenient – for many reasons the popularity of cans is increasing globally.

Ball is significantly expanding its manufacturing footprint across the globe to supply its customers' needs and meet growth rates.



The time zones and continents may vary, but Ball's beverage can quality remains consistent across the globe, and its worldwide manufacturing footprint is expanding.

Serbia

A second manufacturing line just began production in Ball's Belgrade, Serbia, plant at the beginning of the second quarter of 2011. The line will optimize the supply structure for Europe's rising demand for cans. "In terms of profitability, the Belgrade plant is exemplary," says Ball Packaging Europe President Gerrit Heske. "That is one of the chief reasons why we chose to invest here." ↪

Nigeria

With its joint venture partner in Nigeria, Ball is building its first manufacturing plant in Agbara. Sometime at the beginning of 2012, the facility will begin operations, initially producing about 900 million cans a year. In addition, the plant is being built to allow the future integration of a second line, if required. Many global beer and soft drink brands are operating in the country, profiting from Nigeria's current economic upswing and driving the demand for beverage cans. ↪

Vietnam

Asia's middle class is growing and Asian consumers prefer their beverages in cans. Demand for cans is expected to increase by more than 15 percent annually over the next several years. For this reason, Ball Corporation plans to open, with its joint venture partner, a plant in Vietnam at the beginning of 2012. With an initial capacity of 850 million cans annually, the facility will be able to meet demand in the neighboring countries. ↪

China

In southern China, Ball Corporation acquired its partner's interest in a joint venture beverage can plant in Sanshui. The acquisition puts Ball in a position to serve the fast-growing region's needs for cans. Ball also signed a long-term supply agreement with Jianlibao, China's leading beverage company. ↪

Brazil

Ball already operates three joint venture can-manufacturing plants and a facility that fabricates can ends in Brazil. To accommodate the rising demand for specialty sizes in this emerging market, another plant, specifically built to answer these needs, will begin production at the beginning of 2012 in Alagoinhas in northeastern Brazil. ↪

USA

The American beverage can market is also growing again – that is, when it comes to custom cans. To keep pace with changing customer demand, Ball realigned its manufacturing footprint and expanded its custom can production in America. In Fort Worth, Texas, Ball is boosting the manufacturing capacity for 24 oz, 16 oz and 568 ml specialty cans with a new production line. And its facility in Golden, Colorado, is receiving a new manufacturing line for Alumi-Tek cans. //



Africa is a continent with far-reaching prospects. Ball is moving closer to its customers here and, in the future, will supply customers with cans from its new plant in Nigeria.

CAN MARKET

Ball establishes a joint venture in Africa

In April 2011, Ball signed a memorandum of understanding with the Nigerian company Alucan. It is the first step toward establishing a joint venture. Probably in the first quarter of 2012, Ball's first manufacturing plant in Africa will begin production.

With over 150 million people, Nigeria is Africa's most populated land. The sixth largest oil-producing land in the OPEC, Nigeria also possesses significant deposits of diamonds. Currently, it is in the midst of major economic growth. Between 2001 and 2010, Nigeria's gross national product grew annually at an average of 9 percent. Along with the economic upturn, a middle class with substantial purchasing power is emerging. Many of the world's leading soft drink and beer producers are operating in the country and already profiting from the burgeoning middle class. ↪

A manufacturing plant in Nigeria

Ball currently supplies its Nigerian customers from its plants in Europe. To serve their needs even more effectively and utilize the country's enormous growth potential, Ball is building a new can manufacturing facility with its joint venture partner Alucan. Plans call for the facility to begin operation in the first quarter of 2012. Initially, Ball will operate a single production line in the plant with an annual output of 900 million 33 cl aluminum cans for beer and soft drinks. To meet increased demand in the future, Ball is building the facility equipped to accommodate the quick installation of a second line. ↪

Ball finds the ideal partner

"We are grateful to have an experienced domestic partner with whom we can manufacture for such a promising market," says Gerrit Heske, President, Ball Packaging Europe. "The opening of Ball's first plant on African soil is a very exciting moment for us. The plant, located in Agbara near Lagos in the state of Ogun, will help us serve the needs of our national and international customers in Nigeria more effectively." //

An abundance of can sizes and formats provides the opportunity to tailor the offering to the different demands of the consumers. For this reason, Ball continues to expand its product portfolio.



CAN MARKET

Differentiating cans through shapes and sizes

Whether big taste in mini-cans, eye-catching pack sizes on the shelf, or recloseable Alumi-Tek bottles: Consumers are attracted to product variety and increased choice. This explains the growing demand for Ball's new beverage can formats and sizes.

Alumi-Tek soaring to new heights

Alumi-Tek is on the way to star status in the US. "When it was launched in 2008, Alumi-Tek was a bit of a flier. We thought we were onto an exciting technology, but we had no real way of knowing for sure," explained Jay Billings, Director of Innovation and Marketing, for Ball's North American metal beverage packaging division. Two years later, sales had grown over 500 percent. In 2008, the total bottle industry in the US – the majority being extruded bottles – accounted for less than half a percent of total can volumes in the US. "For 2011, we're not only seeing explosive growth in bottles, but also multimillion-dollar ad campaigns featuring our package," said Jay. "This shift in volume is a clear indication of the market's dynamic. In response to the enormous growth experienced by our Alumi-Tek customers, Ball is installing a second Alumi-Tek line in our Golden, Colorado, plant. This will allow us to keep up with the rapid growth from our existing customers as well as take on new customers in the nutraceutical, energy drink, beer, and other markets." Several brands are already available in the Alumi-Tek bottle. Perhaps the best known is MillerCoors, which packages both its flagship brands, Coors Light and Miller Lite, in Alumi-Tek. Ball also offers enhancements on its Alumi-Tek bottles such as thermochromic printed graphics, which are sensitive to temperature and tell consumers if the beverage is cold enough for consumption. "More to come," said Jay. "We are working on a host of platform-expanding technological developments that will help facilitate – and accelerate – this growth".

Coca-Cola boosts volume with 25 cl can

Coca-Cola is experiencing success in Europe with the new 25 cl Sleek Cans. Last year, the small-sized package was launched on the market with a major sampling campaign. The can's convenient size and volume allow consumers to enjoy beverages on the go. Since the beginning of 2011, Coca-Cola Zero, Coca-Cola's orange-flavored mezzo mix and Fanta Orange have been available in the 25 cl package. Certain to attract the interest of collectors is a new regularly changing motif feature, which will appear opposite the logo on the 25 cl cans.

568 ml can taxiing for takeoff

The British pint (568 ml) enjoys widespread popularity in Great Britain, Northern Ireland and Poland. 2010 saw sales increase by 40 percent of this can size. "As of 2011, the pint can appeared on the market in Germany. With its "MiXery Vodka Flavour iced cola," Karlsberg Brauerei is the first to offer a cola-beer mix in the 568 ml specialty size. These cans stand out in their retail environments and are ideally suited for direct POS use, where they inspire consumers to purchase," says Jens Winnemann, Marketing Director for domestic brands with Karlsberg. Krombacher, another German brewery, also began selling its Krombacher Pils in the attention-arresting 568 ml package this year. //



Left_Miller is now selling its aluminum pint in Alumi-Tek bottles.

Right_Coca-Cola experiences significant success with the new 25 cl can.

COVER STORY

The “everything is possible” generation: Typical lifestyles in the future

To what extent are market research’s conventional consumer group models still valid today? How can we better understand the desires and needs of newly formed social groups? And what defines these new groups? A major study performed by “Zukunftsinstitut”, a European market research institute, attempts to answer these questions – and introduces new lifestyle models that are sure to have a bearing on our work in the near future.



Like the consumers who constitute them, the typological models used to define target audiences are subject to constant change. Consumer research in the 70s and 80s relied on sociodemographic data, such as age, education and income. More sophisticated models appeared later. They presumed specific social groups existed that were distinguished by shared lifestyle and consumer behavior. Market researchers who specialize in future trends are convinced these models are now obsolete as well. ↪

The current theory suggests that social milieus and stages in life, like education, career and retirement, are no longer rigidly affixed to specific ages, but are instead temporary phases. Everything is possible – at anytime. Today, we see senior citizens on snowboards and surfboards, and teenagers who have already made their first million as entrepreneurs. Various “lifestyle types” are taking the place of the social groups. Here are some examples. ↪

Atypical types

1. CommuniTeens: Both collectivist and individualist, the individuals in this group are at home in the Internet and real worlds, but are far removed from “living” in the cyber world. The Web is a means of managing and maintaining their real-world friendships and contacts. CommuniTeens’ leisure and consumer activities take place on the Web and digital social networks. The opportunity to have their opinions heard on prices, products, and advertising is very important to this group. ↪

2. Inbetweens: Perhaps an internship that delays one from entering the workforce right away or jobs that always seem to be short-term or limited to just projects – for whatever reason, these individuals find themselves in a state of perpetual movement and reorientation, which also leaves its mark on their private lives. ↪

Although Inbetweens maintain a lifestyle that permits them to pull up their stakes at any time, they are still receptive for things that embody an element of permanence in contrast to their otherwise transitory lifestyle. ↪

3. VIB Family: Having reached their late thirties, their careers and social lives on solid ground, the last remaining wish of these couples for a complete family comes true with the arrival of that Very Important Baby. ↪

VIB Families’ frequent establishments, such as Babes ‘n’ Burgers on London’s Portobello Road, where the hamburgers are all-organic, the salads made from “living” fixings, the cola is healthy and sans caffeine, sugar or artificial sweeteners, and extremely popular smoothies are offered. ↪

4. Tiger Ladies: Women who have made it all the way up the ladder into positions that are normally reserved for men in politics or the executive levels of companies and universities. Their independence and pursuit of self-actualization are extremely important, but are not viewed as reasons to do without children and family. ↪

The acronym DISCO describes this group. It stands for discerning, increasing years, stylish and comfortably off. In London, DISCO fever, as it is called there, represents a formidable challenge for retailers. ↪

5. Gray Hoppers: Proof that advanced age is no longer incompatible with mental or physical adventure. In retirement, Gray Hoppers consciously break with their past and embark on a completely new life. ↪

Gray Hoppers are the ideal personification of the Lifestyle of Health and Sustainability, abbreviated LOHAS. They attach a great deal of importance to their food being sustainable, healthy and enjoyable. Buying groceries means more to the Gray Hoppers than just obtaining the essentials to exist – it’s a key aspect of their lives. ↪ ↘



*The question is no longer: “Which group do I belong to?”
but “Which lifestyle am I currently pursuing?”*



Marketing research must employ entirely new approaches to obtain information about the new lifestyle types.

What brand producers can learn from the study

Companies that want to achieve success with new consumer groups – or more aptly put, new lifestyle groups – should make sure their marketing efforts are suitable for these lifestyles. Can Courier has identified several general marketing trends that today incorporate the new lifestyles:

1. New market research methods Today, marketing specialists must use completely new approaches to obtain information about consumers. An example: New media produces new habits. Examination of podcast playlists, Web logs or bookmarks on personal computers provides more information about the preferences and the desires of people than focus groups. ↪

2. More variety, please The more fragmented and prone to change the consumer groups become, the more willing and able the brand producer must be to incorporate the lifestyle into its products. In the 90s, automobile manufacturers offered their product as a sedan, coupe and station wagon, but today SUVs, convertibles and sport models are necessary to accommodate all the different lifestyles. ↪

3. Individualization/Personalization Not only is communication becoming more personal, but also products themselves are increasingly individualistic. The more consumers position themselves as a unique individual instead of deriving their identity through their group associations, the greater are the chances for the success of products that answer the desire for uniqueness. Alone in clothing and fashion, the potential is enormous. Currently, single pairs of individualized sneakers are available to order. Personalized books and audiovisual

media, in which consumers are involved as the story characters, are today reality. ↪

4. The community is the measure Initially, this appears as an apparent contradiction to the individualism trend. However, the community is by no means superfluous; it just changed its role. Having served in the 80s as a means of differentiation to establish identity (e.g. punk), the community today acts as both critic and audience to the opinions and offerings made public by individuals. ↪

5. Dialog prevails over campaign Many consider the classic advertising message outmoded. "Mass media has become media mass." Far more effective is targeted one-to-one dialog in which the message recipient always has the opportunity to become the communicator. ↪

6. 360° responsibility The social consequences of corporate activities are falling increasingly under scrutiny. In the new millennium's first decade, it was the LOHAS consumers who were especially concerned with the political correctness of the products they purchased. In the future, a majority of consumers will subject the multitude of everyday products they use to their own personal responsibility audit. ↪

In summary, the new world of lifestyle groups offers marketing specialists more opportunities than risks. All that could stand in the way of their utilizing the potential is their own acceptance of the new groups and a lack of willingness to continuously adapt to change. //

"Lifestyle models 2020 – a typological survey for society, consumption habits and marketing" by Oliver Dziemba, Benny Pock and Andreas Steinle, Zukunftsinstytut GmbH.

INSIDE |

Freshly staffed for new challenges

Ball is the largest beverage can maker in the world. As the company continues to grow through new products and in new geographies, its people collaborate closely with Ball's customers around the world. The following includes details on the latest personnel changes within Ball in key customer areas.

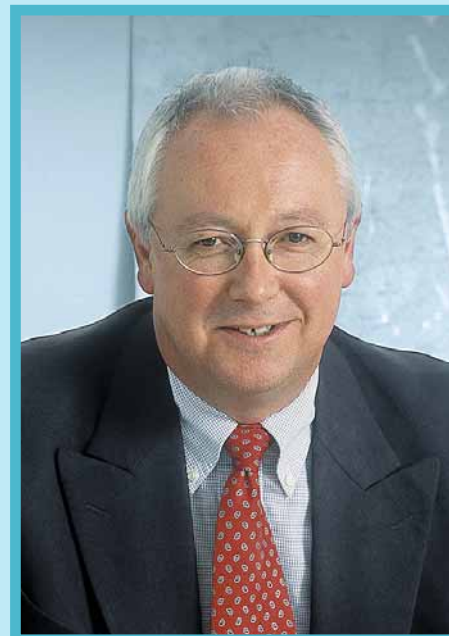
Rob Miles

At the beginning of 2011, Rob Miles transferred from Europe to America where he became Vice President Sales for Ball's North American beverage packaging division. He has been with the company since 1994 and most recently held the position of Vice President Sales and Marketing for Ball Packaging Europe. "Our customers in North America are mostly global. My aim is to bring European thinking to Ball's global environment in North America," explains Rob. "I will also focus on driving innovation. In this respect we have been quite successful in Europe in recent years. Our innovative custom cans offer added value to both our customers and consumers." ↵

Thomas Haensch

Thomas Haensch has been named Vice President Sales & Marketing, Ball Packaging Europe, and assumed the position on May 1, 2011. Before Thomas Haensch joined Ball, Europe's sales and marketing team was transitionally managed by Mike Herdman, who is Ball's Chief Commercial Officer, Global Metal Packaging.

After receiving his MBA, the native German began his career working for major manufacturers of consumer packaged goods, including Gillette and later Wella Professional, serving with the latter company as Vice President of Global Marketing. From 2003 to 2005, he was the president of Sebastian Inc., an American manufacturer of cosmetic products headquartered in Los Angeles. Afterwards, Haensch held a position as General Manager with Procter & Gamble in Switzerland. Prior to joining Ball, he was Global President of Project Business with Grohe AG, Germany, a leading international manufacturer of premium bathroom fittings, such as faucets, etc. Haensch, 44, brings a substantial measure of experience to his new job, having engineered and implemented successful international marketing and sales strategies for both the consumer packaged goods and the business-to-business markets. "I am excited about my new assignment with Ball, an international company with a long tradition of success," says Thomas Haensch. "I intend to build on the company's previous achievements, contributing to its sustained growth through my uncompromising focus on the needs of our customers, innovation, and the development of new markets." ↵



Rob Miles, Vice President Sales for Ball's North American beverage packaging division



Thomas Haensch, Vice President Sales & Marketing, Ball Packaging Europe

Familiar and new faces at Ball: Thanks to their expertise and experience, Rob Miles and Thomas Haensch are ideally equipped to take on their new assignments.



Jay Billings, Director, Innovation and Marketing, for Ball's metal beverage packaging division, Americas



Gerlof Toenhake, Director, Marketing, Ball Packaging Europe



Yann Rodi, Director, Customer Technical Service & Customer Relationship Management, Ball Packaging Europe



Sally Yuen, Director, Marketing & Business Development with Ball Asia

Jay Billings

Jay Billings was named Director, Innovation and Marketing, for Ball's metal beverage packaging division, Americas, in April 2011. Billings, 35, will lead the North American metal beverage packaging innovation team and will work closely with Ball's beverage customers in the Americas to maximize alignment between Ball's extensive packaging innovation capabilities and customer and market needs. "Brand owners are increasingly embracing the many benefits of metal packaging, and looking for ways to leverage innovation to support brand objectives. Packaging, once considered a tactical element of the mix, is now a driving force for positioning and communication." Billings said. "The team is looking forward to building off our base of recent wins – with unparalleled technical expertise and innovation capabilities, we believe we uniquely serve customer

needs as a collaborative partner." Billings most recently directed successful marketing efforts for Ball's North American packaging businesses. Prior to joining Ball in 2006, he held the position of strategist at Egg Strategy, an innovation and brand strategy firm used by many of Ball's customers. He earned an MBA from the University of Colorado Leeds School of Business, Boulder, and a bachelor's degree in government from Cornell University, Ithaca, N.Y. →

Gerlof Toenhake

Gerlof Toenhake was appointed Director, Marketing, Ball Packaging Europe, on October 1, 2010. A native of the Netherlands, Gerlof has worked for Ball for over 14 years, initially as an engineer. Two years ago, while he was Director of Customer Relationship Management, he developed a new CRM system. "In my capacity as

Director of Marketing, I will have three areas of focus," says Gerlof. "First, I will support the continued growth of the company. Second, I intend to contribute to the generation of value for our company and our customers. My primary responsibility here is to provide all those involved in decision-making processes with the information they require. And finally, I aim to further energize the company, creating new opportunities with new ideas and new means of communication." →

Yann Rodi

In October 2010, Yann Rodi, who had previously been Regional Sales Director Southern Europe for Ball, assumed the post of Director of Customer Technical Service and Customer Relationship Management. A native of France, Yann knows exactly what he wants to achieve: "My goal is to build together with other

Ball departments a customer-centric organization that has stable, long-term customer relationships that profit both our customers and us." For this reason, Yann intends to improve key account management by introducing Microsoft Dynamics, a CRM solution. He also plans a second round of the VIP customer survey and has adjusted customer loyalty training following attendees feedback. In technical customer service (CTS), Yann will strive to improve the performance of Ball's cans and ends on customers' filling lines. "In addition, the objectives of our CTS organization are the ongoing improvement of product quality in order to provide a broad range of safe packaging with long shelf life," emphasizes Yann. To achieve these objectives, technical key accounts have been set up, communication improved and a training program developed. Moreover, Yann plans to provide customers with additional services in future, such as assistance with the reduction of energy and water usage in beverage filling plants. →

Sally Yuen

Since October 2010, Sally Yuen has been Director, Marketing and Business Development, for Ball Asia. Sally has over eleven years of experience in the packaging industry. Her professional talents include the ability to lead and integrate international teams working on global projects. Prior to last October, Sally served as Director, Service Delivery, for Smurfit-Stone Asia. "Knowledge is power," says Sally, who plans to increase this power by intensifying the exchange of knowledge between Ball and its key customer accounts. This will help both sides to make smarter decisions. "In today's digital world, only companies that continue to innovate are successful," says Sally. "One of our key priorities is to continuously provide our customers with new product developments. My goal is to blend the inquisitiveness and energy of the vibrant market with the wisdom and experience of the experts in our organization, developing the ideas and approaches that hold promise for tomorrow." //

CAN MARKET

Multipacks: More volume, more sales – in a single pack!

Multipacks boost sales. Whether Hi-Cone plastic ring carriers, shrink wrapping or paperboard cartons, it's a proven fact that beverages in cans move much quicker in multipacks. And the multipacks sell even better if they are designed specifically for their respective target groups.



The 6-pack is just an example. The multipacks range from 2- to 30-pack.

12-, 18-, 24- and 30-packs. Great Britain and Spain lead Europe in multipack sales volume. British consumers prefer 4-packs; however, when planning their weekly shopping at the supermarket, they're increasingly likely to take 12-, 15- or 18-packs home. In Spain 8-packs are most common for soft drinks and 8-packs for beer, and in Italy beer drinkers favor 2-packs. →

Multipack sales stand to gain the most in Europe when it comes to planned weekly shopping trips. For this reason, Germany is looking at growth in multipacks: According to a Nielsen study from December 2010, the purchase of beverages in a can is for 30 percent of Germans not a spur of the moment action, but rather part of a planned, regular shopping trip. When the beverage is on the shopping list, the consumer gladly grabs a multipack of cans, places it in the shopping cart and is set for the week. →

Convenience and economy for the retailer

The multipack is not only convenient for the consumer. Retailers also appreciate the convenience and the economy offered by multipacks. Shelf space usage is easier to plan and handling costs are lower. And multipacks of cans feature distinct advantages over bottles. According to a study performed by the EHI Retail Institute in 2008, a 6-pack of beverage cans is 12 percent less expensive in the supply chain than the comparable beverage quantity in a 6-pack of returnable bottles. //

In Europe, currently 50 percent of all beverage cans sold come in multipacks. Little wonder, the popularity of the convenient multipacks is rapidly growing: With a single hand, consumers can conveniently grab and place large quantities of their favorite beverages in their shopping carts. In fact, multipacks are so convenient that consumers gladly accept one or two extra cans in the packs – although they had planned to buy less. And they'll purchase the pack even if the extra cans aren't part of a promotion! "Promotions are not required to increase sales," explains Ton Hoppenbrouwers,

Business Development Director, Europe, at Hi-Cone, the market leader for multipack systems. "Consumers who intend to buy two or three cans will purchase four – even without discount – just because it's more convenient." →

Size is the key

The key to a multipack's retail success is its size. It must correspond to consumers' particular buying habits, which vary from beverage to beverage. For example, cola drinkers buy their favorite beverage by the 6-pack –

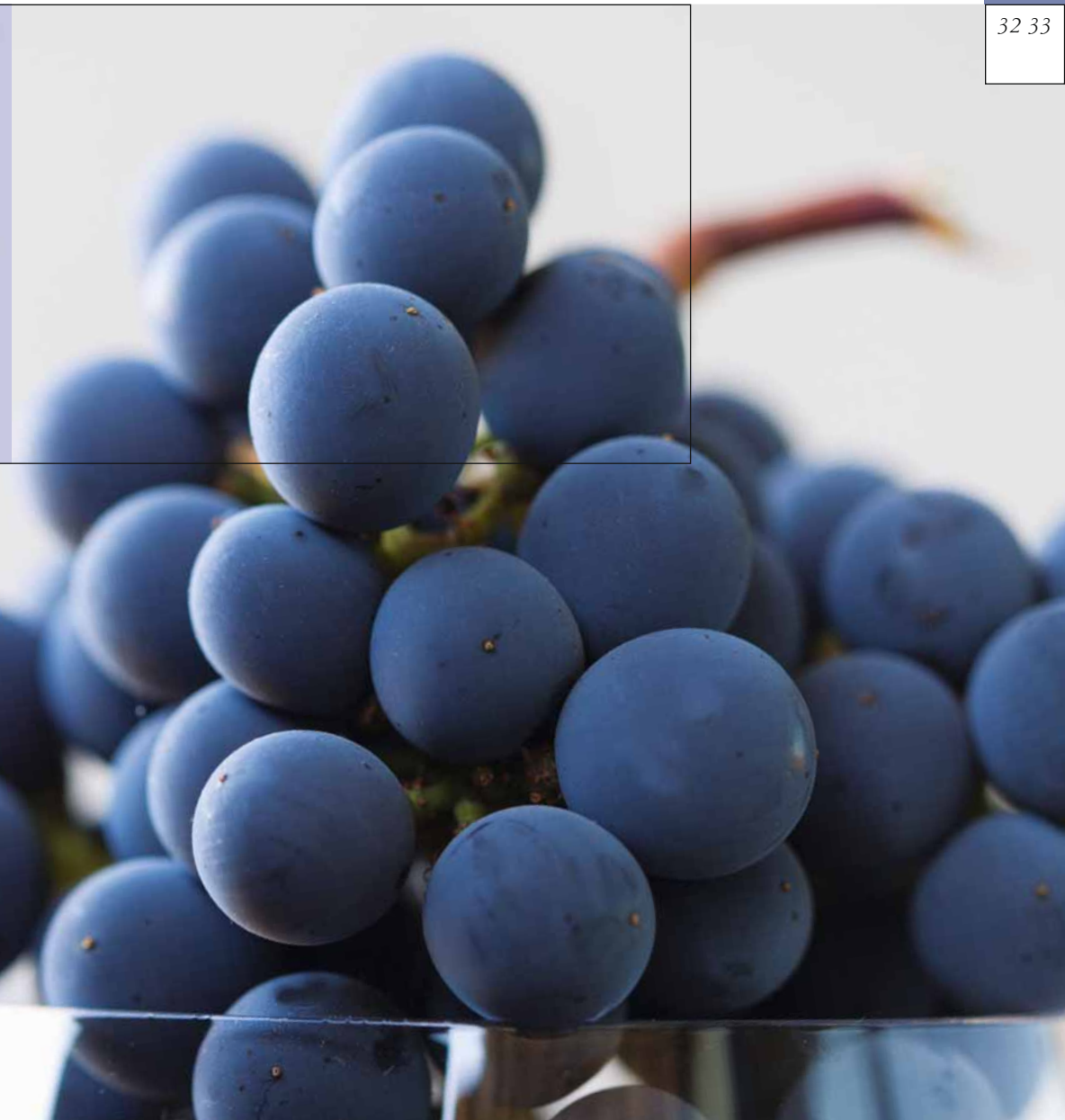
regardless of the price. However, when choosing a 12-pack they demand a discount because this pack size exceeds their usual purchase volume. With regard to higher priced energy drinks consumers favor 4-packs and beer drinkers prefer even larger retail units. →

It is also important to consider national preferences when trying to determine which multipack size will move best in your targeted market. In the US, the majority of soft drinks sold in supermarkets are in 12-packs, whereas beer purchases are evenly distributed among

CAN WORLD

Premium wine in a premium package

Ball is now licensed to manufacture and supply special cans for wine, according to the Vinsafe® packaging process which ensures excellent quality. Before you know it, you'll be buying premium wine in beverage cans made by Ball.



Actually, wine in cans has been around longer than you might think. The first issue of Can Courier, back in 2005, included a report on director Francis Ford Coppola and his Niebaum-Coppola winery packaging its Sofia wines in Ball cans. These Sofia wine cans are still sold successfully in the US today. Can Courier also covered Rich Secco, a brand promoted by "It girl" Paris Hilton, with an article. Now, a new chapter is beginning for wine in cans. →

Quality from the grape to the can

The globally patented Vinsafe wine packaging system, developed by Australian company, Barokes, ensures the highest possible product quality with stability and longevity. Vinsafe provides clear specifications for wine growing, filling and packaging. Only specifically approved wine may be packaged using the Vinsafe system. A special manufacturing technique for beverage cans ensures the premium quality of the wine filled in these cans is maintained. In addition, a method specially designed by Vinsafe to fill the cans gives the products a longer shelf life. Regular scientific analysis performed by independent labs guarantees consistent high quality. Considering the above, it's little wonder that Barokes has received over 100 medals and international prizes for its premium wine in cans including platinum, five gold "Best in Class" and the nomination for "Best at Show". →

Practical, trendy and eco

Ball has obtained the rights to manufacture and sell beverage cans for wine using the patented Vinsafe system in Europe and will market small-sized slim cans with the Vinsafe seal of quality. →

With its new product, Ball opens doors for European winemakers to new markets – including the target group of 20- to 39-year-old consumers, who appreciate the chance to experience new premium products in cans. This target group welcomes innovative packaging, which corresponds to their style of living and consumption. The smaller can size also appeals to consumers who prefer to drink smaller amounts of wine at one time. Cans are the preferred package for people who live active lives and value conveniently packaged products. Other market segments include airlines, cruise lines or trains where easy transport, weight, storage and safety are important. →

European beverage fillers are excited about the prospect of selling wine in a trendy, practical and environmentally friendly can, and many are eager to receive certification for the Vinsafe wine packaging system. //



Vinsafe® Technology, a patented system developed by the Australian company Barokes Wines, ensures that the quality of premium wine packaged in cans will remain premium, and it has countless prizes and medals to its credit.

CAN WORLD

Reaping the rewards

Since the last issue of Can Courier, Ball has been busy adding to its collection of awards, having received many new prizes for its products. Ball even won an award for its Can Courier magazine!



Especially encouraging is the gold award taken by our can in the environmental friendliness category of the Top Produkt Handel 2011 competition in Germany. Once a year, readers of "Handelsjournal," a German journal for retail businesses, are given the opportunity to vote for their favorite from 21 nominated products and services in seven categories. The categories include customer focus, personnel efficiency, workflow optimization, payment management, sales promotion, efficiency, and environmental friendliness. →

A can wins acclaim for environmental conservation

The award attests to the fact that environmental and climate protection, along with the preservation of our resources, are high on the retailers' list of priorities. Beverage cans deserve such recognition, weighing today 25 percent less than 15 years ago, and featuring a recycling rate of 95 percent in Germany, which means less energy is required for the manufacture of new cans as compared to using virgin raw materials. →

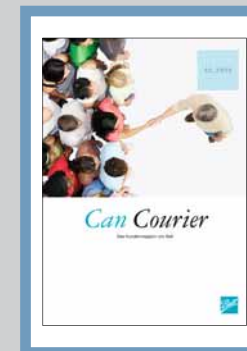
Award-winning designs with Ball innovations

In the USA, one of Ball's Alumi-Tek bottles received a Global Packaging Design Award issued by "Beverage World" magazine. The prize was awarded for the GOOD 4U Sports & Wellness drinks. The Preload (black can) and Recovery (red can) each have their own dynamic athletic figure on their bottles to show today's consumer that a premium isotonic has finally arrived. Decisive in the Alumi-Tek bottle's selection were its 100 percent recyclability and its ability to re-close. Judging by the beverage's popularity, it's fair to say that our customer made the right choice. In fact, retailers don't seem to be able to keep the shelves of their beverage coolers filled with the conspicuously designed bottles. →

Germany's magazine for the beverage industry, "Getränkzeitung," selected Asbach Cola, packaged in a 33 cl Ball Sleek Can, as the Newcomer Product of the Year for 2010. A high-definition printing technique and the Pure Brand End, both Ball innovations that lend the can its unique character, apparently had quite an impact on the jury. →

Can Courier doubly honored

But not only Ball's beverage packages are fond of collecting design awards. Can Courier won two Awards of Excellence, one each for graphic design and photography, in the first ever International Corporate Media Award (ICMA) competition. The ICMA was established to draw attention to corporate media design trends and facilitate the exchange of ideas. The prizes were awarded for articles appearing in the 1/2009 and 2/2009 issues of Can Courier. //



Above_Can Courier won not one, but two awards in the first ever ICMA competition.

Center left_Ball cans received a gold prize for environmental friendliness.

Center right_Asbach Cola packaged in Ball's Sleek Can with Pure Brand End took honors as Newcomer Product of the Year for 2010.

Below_ABB won the Global Packaging Design Award for these Alumi-Tek bottles.

design the future –
we can!



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