



# Optimistic about the Future

**M**ore than 60 years ago, on 11 October 1952, the first plastics fair, the K1952 in Düsseldorf, Germany, opened its doors. Plastics production was then about two million tonnes worldwide. In Germany less than 200,000 tonnes were produced. The age of plastics had just begun. In 1961 the million mark was reached in Germany, and already in 1994 German plastics production exceeded 10 million tonnes. From K to K other records were always set – even for the K2010 results in retrospect, despite the crisis year 2009 when production and sales faltered, no decline, but instead stagnant volume growth was achieved compared to 2007. Presently it looks as if the hunt for new production records is finally finished in Germany. Since the K in 2010 production has fallen from 20.4 million tonnes to 19.5 million tonnes in 2012 – a decrease of approximately four and a half percent.

Behind this is first of all the weak economic development in Europe. Thus also the final quarter of 2012 was disappointing for the German economy overall. In this quarter it has shrunk more than ever since the financial crisis in early 2009. With the aid to Cyprus, rising unemployment in many countries in crisis and the associated consumption slump, the euro crisis has returned to companies. Also in Germany the first half of 2013 showed rather stagnant development.

And there are a number of other causes not associated with the economic situation. Thus market researchers have predicted that plastics markets will move in the direction of Asia. Consumption there is growing much faster than in the European markets that tend to be saturated. Production capacity and actual produc-

tion follow this dynamically growing market. Very recently also in the U.S. new competition is growing that can produce with enormously cheaper energy – “shale gas”. For German industry it will be difficult to survive in the global competition against cheap gas, cheap energy and cheap petrochemical raw materials.

Another reason for the stagnant German production is in application innovations. Simply put today plastic creates more with less. This manifests itself in packaging. Ten years ago the average weight of plastic packaging was around a quarter higher than today; more goods are packaged with less material. The same is true for polymeric insulation systems. Again here less material insulates our homes ever more efficiently.

In addition to this higher product quality there is another important argument for the use of plastics in the sense of sustainability. This reduces the production figures. Even recovery and recycling of used plastic products at the end of product life are on the rise, and what is recycled need not be re-produced.

We in the plastics industry are also an important driver of climate protection. No solar cell is made without plastic, no wind turbine rotates without plastic. Plastics for efficient insulation of buildings, low-maintenance and energy-saving plastic window systems, lightweight effective packaging, efficient, economical cars and most modern aircraft allow energy savings that greatly exceed the energy requirements for the production of plastics. Thus plastic is the material of energy efficiency.

Plastics producers in Germany thus have every chance to adapt again and again to the dynamic market. Despite the



**Dr. Josef Ertl, elected chairman of PlasticsEurope Germany e.V. in May and CEO of Vinnolit GmbH & Co. KG, Ismaning, Germany: “We will achieve our ambitious climate change goals only with a strong plastics industry worldwide because plastic is the material of energy efficiency.”**

current stagnant or slightly declining volume trends, there is no reason to paint a black picture. The plastics industry in Germany with plastics producers, processors of plastics and plastics machinery manufacturers is a significant industry with 90 billion Euros in sales, approximately 7,100 companies and more than 384,000 employees. Our material is the material that is used to turn innovative ideas into reality. For that reason we are long term optimistic about the future. Plastic is the material of the 21st century. ■