



Retail Packaging Association Membership Survey Results 3rd Quarter 2018

Highlights

Summary Thoughts:

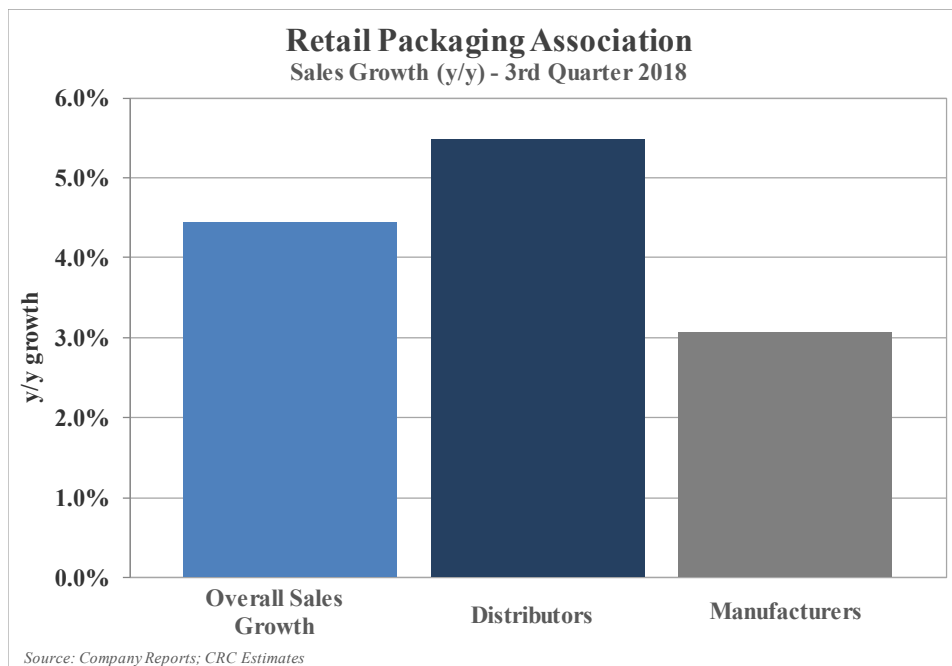
The first quarterly survey of RPA members had good participation with 27 members completing the survey. This represents a 24% participation rate. We would appreciate any feedback regarding ways to improve this program. Continued participation is important as the insights derived from this survey will grow as a time series of data is created.

Highlights:

- 27 members completed the survey comprised of 16 distributors and 11 manufacturers.
- Sales growth increased 4.4% on average in the 3rd quarter with distributor growth of 5.5% and 3.1% growth for manufacturers. Food service / restaurants and e-Commerce were highlighted as the strongest performing end markets.
- Over 80% of participants reported higher product prices with an average increase of 1.8%.
- Inventory levels appear to be moving higher to compensate for longer lead-times.
- The initial outlook for 2019 is for 3.6% growth suggesting participating members are anticipating slightly faster growth next year compared with the current 2018 forecast of 3.0% growth.

3Q Sales Growth

Average sales in 3Q18 increased 4.4% year-over-year (compared to 3Q17). Although there is no prior data for trend analysis, 3Q growth was generally noted as inline with expectations or on budget (23% better-than-expected; 44% inline; 30% worse-than-expected). Two-thirds of participants reported positive sales growth in the quarter while 30% reported a decline in sales. Distributors reported stronger growth of 5.5% compared with Manufacturers at 3.1%.



3Q18 Sales vs Expectations

Better-than-expected	26%
Inline with expectations	44%
Worse-than-expected	30%
Net (% better minus % worse)	-4%

3Q18 Sales Growth

Positive	67%
Flat	4%
Negative	30%
Net (% positive minus % negative)	37%

Source: RPA Survey