

PET: packaging at a premium

It's essential that a product consistently reflects the brand and target market – inside and out. Barry Mansfield talks to **Håkon Langen**, packaging innovation manager at Danish brewer Carlsberg, about the role PET will play in extending the company's global reach, and where the material fits into a sustainable yet high-end strategy.

Carlsberg's new corporate slogan 'step up' highlights the need for global beer brands to continue evolving and innovating if they are to stand out in an extraordinarily consolidated industry – a point driven home by Heineken's challenge to 'open our world' and that of Anheuser-Busch InBev to 'dream and deliver'.

As Carlsberg's packaging innovation manager Håkon Langen will confirm, if a company is to remain at the top of its field in the drinks business it is simply unthinkable to stay still. The task requires an unfaltering dedication to quality, with packaging materials playing a critical role in how a product is perceived in both new and established markets. Stepping up, or at least staying one step ahead of the crowd, is Langen's job.

"Sustainability is one of the key focus areas," the Norwegian declares. "Themes and priorities in this industry change a lot. Sustainability was quite big ten years ago and now it has regained the spotlight." A good example would be the PET bottle

created for the Swedish market and launched in late 2009. Created by Carlsberg's Swedish and Danish innovation departments it was considered to be an important step in the company's environmental evolution. Eschewing glass reduced the bottle's total carbon footprint, while the use of a crown cap highlighted the premium positioning of Carlsberg Export Premium, giving customers the feel of drinking beer from a glass bottle.

Material development

That Carlsberg's chosen materials fit the brand and target market – one of 150 identified by the company – is of paramount importance, Langen says. "It's no secret, in the Nordics and Estonia especially, that we are focusing strongly on beverage containers," he adds. "We're thinking about how to get people using reverse vending machines in stores. We see our packaging as high value; we want to keep control of this high-quality material and keep the collection rate high."

For a long time, efficiency in production and sustainability were top priorities for Langen, but he explains that the firm is now "optimising every part of the packaging and every part of production to lower costs. Today it's about how we can avoid waste and keep the value of the packaging material in a close loop". Langen points out that Carlsberg is involved in an extensive network with many suppliers and development partners, using its own test facilities in Valby, Denmark, and Strasbourg, France, and also benefiting from the expertise of several international partners' labs. "We use new materials and

technology. Although we research and develop some internally, we most often do so in collaboration with our material suppliers."

Some of the new materials that Carlsberg has opted to use require specialist technology. "An improved version of PET must be used for beer bottles, for example, rather than the pure PET we use to package soft drinks," Langen says. "So we have a high-quality barrier here and therefore need a different solution. The target market and the shelf life of the product are typical factors that affect requirements." It's common for Carlsberg to fully investigate the mechanical performance of new materials, including thorough line and shelf-life tests for quality.

Spotlight on PET

PET's increasing importance to the brewing company is now evident. In August it announced that Carlsberg Export is to be sold in 500ml PET bottles, initially exclusively through Sainsbury's Local stores in the UK. In this particular case, as in Sweden in 2009, PET is replacing glass and is expected to open up a wider market for Carlsberg while reducing carbon emissions.

Carlsberg and Schmalbach-Lubeca collaborated to develop a PET bottle solution for Carlsberg lager using superior PET compared to what was in restricted distribution at the time. The bottle is easy to open and fits the shelf-life criteria – both microbiologically and organoleptically – required to enter markets outside limited events. The 500ml one-way plastic beer bottle weighs 29g and is



produced by Schmalbach-Lubeca in its Manchester plant. Carlsberg again retains a high quality feel to the bottle by featuring a traditional metal crown cap rather than a plastic screw cap.

This version is not meant for retail distribution, unlike the monolayer PET beer bottle it succeeded. Instead, it is intended primarily for outdoor stadia and similar public venues where distribution is more carefully managed. Curiously, just a few days after the Sainsbury's announcement, Carlsberg revealed a new three-year marketing deal with English football club Arsenal that will see its lager sold exclusively within the club's Emirates Stadium on match days.

“Eschewing glass reduces the bottle's total carbon footprint, while the use of a crown cap highlights the premium positioning of Carlsberg Export Premium, giving customers the feel of drinking beer from a glass bottle.”

The new barrier bottle embodies the high quality to which Langen aspires. It provides a six-month shelf life at ambient temperatures, compared with

Håkon Langen

Håkon Langen is packaging innovation manager at Carlsberg. He joined the company seven years ago as packing innovation project manager, and prior to this spent four years as packaging developer at Ringnes AS in Oslo. He lives in Copenhagen.



just one month for the monolayer PET bottle. As with the Swedish issue, its design has a lower carbon footprint than glass. The main benefit for Carlsberg, however, lies in convenience and portability: the company is targeting outdoor summer occasions to drive impulse sales, while the contemporary design reinforces the premium positioning of the brand. According to Carlsberg, there is huge untapped potential in chilled beer.

Growth potential

Although Carlsberg is clearly making plans around PET, the company's commitment recently encountered a potential setback. In May this year, a bill was introduced that includes a motion to ban sales of PET beer bottles in the Russian Federation by 2013. The head of Carlsberg, Jørgen Buhl Rasmussen, downplayed this development, however, believing that such a law is highly unlikely to be brought into force in the rapidly developing eastern market where Carlsberg already enjoys a commanding presence.

Even if it is implemented, Rasmussen does not think a ban would have a particularly detrimental effect on Carlsberg's fortunes. He claims that although Russia is important for Carlsberg (according to 2011's first-quarter figures, like-for-like Eastern European sales, which include the Russian numbers, were up 28%) PET-packed beer only accounts for a small percentage of the company's profits in the country. He even suggested that there could be a positive impact: “Consumers would start drinking from a different packaging type, such as cans or glass bottles, which would be positive in terms of premiumisation.”

Langen seems ready to adapt to changes in demand, in any case, as he cites a “strong history of innovation and growth potential” as factors that keep him motivated in his globe-trotting role at Carlsberg. “Above all, though,” he explains, “it is the sheer scale of the enterprise, and being able to contribute and steer the company ethos in a sustainable direction, which inspire me now. This may have started in Denmark, but we have extended it to the Nordics and we fully intend to take it further – to the world.” ■

Consumer research showed that an in-store chiller is likely to attract four times the footfall of an ambient fixture in a convenience store or supermarket.



Carlsberg is committed to developing PET beer bottles that meet quality and shelf-life standards.