

STICK PACKAGING GIVES OLD FAVORITES NEW LIFE

Marlton, NJ – Marketers have long talked about the popularity of products in terms of their life cycle. However, some products keep a healthy share of their market well into their ‘golden’ years. Some, including many of America’s favorites, even get a second life, especially in the beverage category. The reason is not because of a “new and improved” formulation, nor due to an international or ethnic market push. The reinvention of late has been new packaging.

“There’s an old adage in the marketing world that packaging makes the product,” says Neil Kozarsky, president of Technical Help in Engineering and Marketing (T.H.E.M.), a leading US-based provider of small and medium-volume flexible stick packaging. According to Kozarsky, “a corollary of that adage is that repackaging can revitalize and reinvent a product, effectively giving it a second life.”

Kozarsky should know. His company is leading the packaging industry movement in the area of single-serving stick packaging, and the companies that have used T.H.E.M. to repackage their mature brands are some of the biggest names in packaged goods.

“We’re working with companies like 4-C, Unilever and Nestle,” says Kozarsky. “And the brands we’ve helped revitalize are some of American’s favorites.”

“A major component of what we do is tied to our relationship with Power Packaging, an Exel Company,” says Kozarsky. “T.H.E.M. can support the development of the product into the stick pack, and execute the launch. We work closely with Power to take the stick projects forward when volumes become really large.

The list of long-time American favorites now enjoying revitalization thanks to the single-serve stick packaging offered by T.H.E.M. goes on, and includes Taster’s Choice, and even Enfamil baby formula. Imagine the ease of not having to travel with less convenient infant bottles or bulky canisters of dry baby formula, and instead just carrying a slim flexible stick pack of Enfamil that can be easily mixed with water.

Founded in 1973, T.H.E.M. has served as the overseas gateway for North American companies to bring in innovative packaging solutions from around the world. The Marlton, New Jersey-based company monitors global packaging trends, identifies innovative technologies, then adapts them to the needs of American marketers and manufacturing culture.

“In the area of convenience, the American consumer has always set the pace for the rest of the world,” explains Kozarsky, “however, many packaging innovations come from overseas. Our specialty is identifying them, refining them and adapting them to American operating requirements.”

The stick packaging phenomenon is the latest Japanese import credited to T.H.E.M. However, the demand for flexible stick packaging has not taken place in a vacuum. Another phenomenon has given enormous traction to the trend toward single-serving stick packaging.

In 2003, bottled water overtook beer, milk and coffee to become the second most popular beverage in America, and there is no slowdown in consumption in sight. In fact, over 7 billion gallons of bottled water will be consumed by the American public this year alone. That is an average of 25 gallons of bottled water per person. This increase in bottled water consumption has opened the floodgates for instant beverage brands as well, and set the stage for the repackaging of many mature brands.

“The single-serving revolution really took off with the tremendous popularity of bottled water,” explains Kozarsky. “Instant drink makers needed a way to get in on the action. And we knew how to give them that opportunity.”

Stick packaging is not limited to powders and crystals that flavor our bottled water, however. Anything that can be put in a jar, a can, a carton, a tube or a bottle can be put in a single-serving stick pack. In addition to powder products, formats can include liquids, pastes, cream, agglomerations, lotions and gels. And depending on the quantity of product, they can fit in anything from a wallet to a purse.

T.H.E.M. operates an in-house machinery shop and has recently added additional capacity for stick R&D and sample production. Additionally, the company just completed a major expansion of its production operations, nearly doubling the size of production capacity, in an effort to keep pace with ever-increasing demand.

In the past eight months, T.H.E.M. added four new packaging suites, all dedicated to prototype stick packaging. And according to Kozarsky, another three stick packaging lines go on line by the end of 2006. Kozarsky adds, “Our production capabilities provide the ideal setting for marketers to evaluate stick packaging without having to commit to a major capital expense.”

Each of T.H.E.M.’s packaging suites are equipped with state-of-the-art HEPA air handling systems with humidity control, and each has integrated bulk handling capability. All of T.H.E.M.’s facilities meet the industry’s highest standards for quality and consistency, and include comprehensive laboratory support to evaluate, test and launch products in flexible stick packaging.

Given the substantial investment T.H.E.M. has made in the advancement of flexible stick packaging over the last several years, the company has secured its place in re-packaging history. In fact, if you encounter a product in a stick pack today, whether it is a new entry into the market place or an old favorite revitalized to keep pace with today’s busy consumer, chances are T.H.E.M. had a hand in it. They either supplied the packaging machinery, provided engineering

expertise and/or technical support, or possibly served as a small-volume contract packager to get the operation going.

So what's next? Over the last several years T.H.E.M. has been closely monitoring lifestyle trends among key market segments like working women and aging consumers. They have been tracking the progress of dietary and nutritional supplements, portion-perfect meal preparation and dosing requirements. And they have been increasingly applying their unique packaging perspective to everything from cosmetics to nutritional supplements and pharmaceuticals.

"You just have to look at what's on the shelves in Europe and Japan to see what's in store for the American consumer," Kozarsky points out. "We're already talking to major players in both the nutraceutical and pharmaceutical industries."

Given Kozarsky's passion for perpetuating the stick pack phenomenon, no doubt we will be seeing a lot more single serving innovations in the months and years to come. And the way things are going, there is no question that we will have T.H.E.M. to thank.

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