

GPI Bust the North America 'glass shortage' myth

Further clarifications given here underscore that container glass is simply caught up in the same larger, international logistics backlog that's presently affecting multiple industries nationwide. That said, domestic glass suppliers haven't run out of excess inventory, affirms DeFife, nor is there any shortage of

raw materials to make glass - given that all the requisite materials for North American glass manufacture can already be quite capably sourced from the continent itself.

No less noteworthy, he continues, is that, while glass manufacturers had never run out of raw materials to make glass bottles,

jars and containers, some excess stocks were nonetheless used early in the pandemic to meet dramatically increased US demand. This impacted supply chains for both imported glass and other types of materials, so raising the issue that will likely endure until such time



In light of current rumours circulating about the US glass market jointly identified as misperceptions by the GLASS PACKAGING INSTITUTE (GPI), the institute's website instead attributes the so-called 'glass shortage' in North America to issues of bottle stock supplies to certain end-market customers.

outside North America. Yet though much more recycled glass is certainly needed by the industry, the production of new bottles has been hampered by neither the impact of pandemic supply chain issues nor those of trucking logistics upon the movements of recycled glass.

SOME HELPFUL NUMBERS

As reported by the US International Trade Commission, the end of November 2021 saw the industry with a 11.7 per cent YTD increase in imports of empty 750 ml bottles, of

as port backlogs eventually clear up - which all makes this a good time for companies to explore where their glass is sourced while they're assessing whether to make the switch from imported bottles to bottles manufactured in North America.

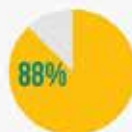
Here GPI goes on to explain that, respecting the glass used in today's food and beverages industry, roughly 25-30 percent is imported to the United States, with the remaining 80 percent domestically sourced from North American glass manufacturers – many of which are in close proximity to their customers. Glass used in the US by consumers is rarely exported for recycling



GLASS IS THE **PREFERRED** PACKAGING MATERIAL FOR **BEER** AND **WINE**



OF GROCERY SHOPPERS OVER THE AGE OF 21 CHOOSE TO BUY BEER IN GLASS.* AND

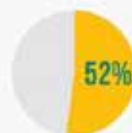


CHOOSE TO BUY WINE IN GLASS BOTTLES.*

* ECOFOCUS CONSUMER TRENDS SURVEY, 2020.



SIMPLY GLASS: GLASS IS MADE FROM **ALL-NATURAL SUSTAINABLE** RAW MATERIALS.



OVER HALF OF GROCERY SHOPPERS LOOK FOR BEVERAGES IN GLASS BECAUSE THEY BELIEVE IT PROTECTS THE PURITY OF THE PRODUCT.*



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MARKET NEWS

which almost 40 percent came from North American importers Canada and Mexico. No end-market distinction is made between spirits and wine producers -to which the bottles were dually sourced- calculated at 162 million more units through the end of November 2021 as compared with those imported through the end of November 2020. Here we can also factor in our most recent data from the third quarter of 2021. This shows the US shipping to customers 1.5 billion wine bottles from domestic glass plants - all of which tend to fall within the 750 ml category range, though exact sizes are unknown. Then through the end of November 2021, again according to USTIC data, a total of 1.38 billion 750 ml bottles were imported to support domestic customers for both wine and spirits. Of these, nearly half (582 million) were supplied from Mexico and Canada which, as North American countries, typically encounter no focused port-of-entry delays.

Shipping container costs for importers have also greatly increased, and these prices too are being passed along the supply chain, e.g. ocean container costs have gone from an average of USD 5.000 to nearly USD 30.000 per container - and that only if you're fortunate enough to secure one in a timely fashion. Combined with persistent port delays resulting in cargo detention fees, this is often bundled

together and passed through the bottle supplier.

THE SUSTAINABILITY OF WINE GLASSES

As is consistently attested by Friends of Glass, wine bottles are made from a trio of natural resources, much like any other glass container or jar. These ingredients are sand, soda ash and limestone, to which we might add recycled glass to the mix. Obtaining any one of the three releases no toxic chemicals into the environment, which is thus left unharmed. Not only. The production of wine bottles has become even more sustainable through advanced research, coupled with developments in techniques used to reduce the energy necessary for producing glass bottles. Moreover, the glass industry is constantly seeking new ways to address consumer preference for more sustainable products.

RECYCLABILITY

Friends of Glass further reminds us that wine bottles are also 100 percent recyclable –endlessly so. Indeed it only takes 30 days for a wine bottle thrown into a recycling bin to go through the process that'll soon have it back upon the shelf as a new bottle. Here it's the fact glass containers are made of just one material that they're rendered so easily recyclable – all without sacrificing their quality. This means that even recycled glass can go through the same process again and again

within an endless loop by which we constantly save in CO2 emissions, water and resources.

GLASS WINE BOTTLES AS COMPARED TO OTHER PACKAGING MATERIALS

DeFife concludes that an increase in packaging options has seen proposals come in for such alternatives as bag-in-box wine, or even paper wine bottles – both of which are bottle-shaped and made from the same materials. However, neither will protect the wine from oxygen, given that cardboard is hardly an airtight material. It's also unclear how much these materials actually interact with the wine, thereby altering its taste. More to the point, bag-in-box wine still has a long way to go to improve upon its sustainability and recyclability. Much like its paper-bottle counterpart, it has the downside of incorporating materials (metal, aluminium, plastic) that anyway come hard to separate during package recycling where glass is instead easily recyclable without any need for separation. ■



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