
The Flexible Packaging Association is the leading advocate and voice for the U.S. flexible packaging industry. Flexible packaging accounts for over $51.5 billion in annual sales; is the second largest, and fastest growing segment of the packaging industry; and employs approximately 98,000 workers across over 1,200 facilities in the United States, generating $151 billion in total economic impact.

Flexible packaging is critical to food preservation and the shelf life of products with over 70% of end markets for flexibles being in the food and beverage sector. Flexibles also allow medical devices and pharmaceuticals to remain sterile and properly packaged, representing another 20% of the flexible market share. These critical applications help explain why flexibles, despite being much newer than industrial-age materials like steel and aluminum, have risen to the second most prevalent packaging format, just behind corrugated.

| FPA Flexible Packaging Public Policy Positions | |
|---|---|
| **Extended Producer Responsibility (EPR)** | FPA supports well-crafted EPR policy that invests in recycling infrastructure for flexibles. |
| **Mechanical and Advanced Recycling** | FPA works to invest in the aging U.S. recycling system and to preserve all pathways to circularity for flexibles. |
| **Labeling** | FPA opposes state-led labeling laws due to the interstate commerce burdens they place on flexible packaging brand owners and manufacturers. |
| **Post-consumer Recycled (PCR) Content** | While FPA supports well-crafted PCR content mandates, FPA works to defeat policy proposals that are not data-driven and that do not differentiate between products. |
| **“Toxics” in Packaging** | FPA supports rigorous scientific standards for determining toxicity in packaging materials. FPA opposes attempts to bypass the federal Toxic Substances Control Act (TSCA) process. |

Visit our website at FlexPack.Org/Advocacy to learn more about FPA’s advocacy efforts. If you have any questions, please reach out to Matt Singh, FPA’s Director of Government Affairs at msingh@FlexPack.Org.

FPA Flexible Packaging Association

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FPA Flexible Packaging Association

# U.S. FLEXIBLE PACKAGING INDUSTRY ECONOMIC IMPACT

## FEDERAL

**$52B**
DIRECT ECONOMIC IMPACT

**98,420**
DIRECT JOBS

**$9B**
DIRECT WAGES

**$8B**
FEDERAL TAXES GENERATED

### DIRECT JOBS BREAKDOWN

| PLASTIC | PAPER | METAL |
|---|---|---|
| 73,914 | 22,596 | 1,912 |

TOTAL ECONOMIC IMPACT
$151,395,528,200

TOTAL JOBS
398,782

TOTAL WAGES
$33,458,988,300

FOR MORE INFORMATION VISIT **WWW.FLEXPACK.ORG/ECONOMIC-IMPACT** DATA SOURCE: JOHN DUNHAM & ASSOCIATES

# U.S. FLEXIBLE PACKAGING INDUSTRY ECONOMIC IMPACT

## FEDERAL

| | Jobs | Wages | Output |
|---|---|---|---|
| Flexible Packaging Production | 98,422 | $8,738,501,200 | $51,532,740,600 |
| **Total** | **98,422** | **$8,738,501,200** | **$51,532,740,600** |

| **Supplier Impact** | **Jobs** | **Wages** | **Output** |
|---|---|---|---|
| Agriculture | 2,950 | $133,762,300 | $455,946,100 |
| Mining | 1,776 | $345,557,400 | $1,509,638,300 |
| Construction | 2,196 | $165,982,500 | $481,590,900 |
| Manufacturing | 36,674 | $4,303,389,700 | $37,241,009,500 |
| Transportation & Communication | 33,884 | $2,824,902,200 | $8,458,460,600 |
| Wholesale | 16,209 | $1,800,308,700 | $7,248,707,300 |
| Retail | 1,614 | $83,772,100 | $231,167,400 |
| Finance, Insurance & Real Estate | 14,627 | $1,136,611,900 | $5,048,127,500 |
| Travel & Entertainment | 4,548 | $201,034,900 | $535,293,400 |
| Business & Personal Services | 39,164 | $3,529,098,400 | $6,936,207,700 |
| Government | 1,878 | $219,628,600 | $626,620,500 |
| Other | 0 | $0 | $0 |
| **Total** | **155,520** | **$14,744,048,700** | **$68,772,769,200** |

| **Induced Economic Impact** | **Jobs** | **Wages** | **Output** |
|---|---|---|---|
| Agriculture | 2,482 | $114,124,000 | $420,690,300 |
| Mining | 264 | $53,624,900 | $227,726,700 |
| Construction | 1,310 | $95,293,300 | $244,393,200 |
| Manufacturing | 5,542 | $520,792,900 | $3,664,718,900 |
| Transportation & Communication | 11,300 | $1,063,953,900 | $3,637,109,900 |
| Wholesale | 4,194 | $481,377,100 | $1,765,359,200 |
| Retail | 18,092 | $831,228,100 | $2,200,543,900 |
| Finance, Insurance & Real Estate | 17,908 | $1,293,083,900 | $7,857,473,200 |
| Travel & Entertainment | 21,622 | $844,116,200 | $2,409,473,400 |
| Business & Personal Services | 57,135 | $4,323,859,300 | $8,030,085,000 |
| Government | 1,482 | $165,168,700 | $442,386,000 |
| Other | 3,509 | $189,816,100 | $190,058,700 |
| **Total** | **144,840** | **$9,976,438,400** | **$31,090,018,400** |

| | **Jobs** | **Wages** | **Output** |
|---|---|---|---|
| **Total Economic Impact** | **398,782** | **$33,458,988,300** | **$151,395,528,200** |

| | **Federal** | **State and Local** | **Total** |
|---|---|---|---|
| **Business Taxes** | **$8,345,853,500** | **$4,999,265,000** | **$13,345,118,500** |

# THE ROAD FROM CONCEPT TO SHELF:
## UNDERSTANDING PACKAGING CHANGE TIMELINES

THE STEPS INVOLVED IN CHANGING PACKAGING DESIGNS

**Packaging plays a critical role in maintaining product integrity and safety. Even minor changes require rigorous testing, careful evaluation, and regulatory review to protect both the product and the consumer. The full process can take years, often up to a decade, and involves multiple organizations and regulatory agencies across the value chain.**

### STEP 1: Market Need Identified

*(Supply Chain Impacted: CPG Company*
*Estimated Timeline: 1-5 years)*

Companies assess consumer demand, safety requirements, and feasibility before, or sometimes alongside, development.

### STEP 2: New Package Development: Lab Testing

*(Supply Chain Impacted: Raw Materials Supplier*
*Estimated Timeline: 1-2+ years)*

New materials must be tested for:

- Safety
- Performance
- Consistency
- Regulatory compliance

*This requires multiple tests, and when regulatory approvals are needed, can add several years.*

### STEP 3: Packaging Development & Regulatory Review: Lab Testing

*(Supply Chain Impacted: Packaging Supplier/ Converter*
*Estimated Timeline: ~1 year)*

Packaging is documented for regulatory use and tested for:

- Durability
- Shelf life
- Distribution

There are established standards for testing packaging integrity. Results must be completed before regulatory filing, and additional testing may be required.

***Some products require regulatory authorization. Approvals for consumer use may involve federal and state agencies, depending on the product and its intended use.***

### STEP 4: Equipment & Performance Testing: Lab Testing

*(Supply Chain Impacted: Packaging Supplier and/or Contract Packager*
*Estimated Timeline: 6 months-2 years)*

- Packaging must run safely and efficiently on manufacturing equipment.
- New materials often require equipment modifications or capital investment.

### STEP 5: Product & Shelf-Life Testing: Large Scale Commercial Testing

*(Supply Chain Impacted: Back to the CPG*
*Estimated Timeline: 1-2 years)*

Finished packages undergo:

- Shelf-life testing
- Quality validation
- Safety verification
- Consumer testing

***If packaging changes use existing, already-approved materials (such as PCR or compostable formats), companies may begin the design process at this stage; however, full testing, equipment validation, regulatory documentation, and supply chain adjustments still typically require 18-24 months before commercialization.***

### STEP 6: Commercialization

*(Supply Chain Impacted: CPG to Retailer*
*Estimated Timeline: 9-18 months)*

Once validated, production scales and products enter distribution.

USDA EPA DEPARTMENT OF TRANSPORTATION UNITED STATES OF AMERICA CONSUMER PRODUCT SAFETY COMMISSION UNITED STATES FDA

## THE ROAD AHEAD

**Policy decisions should account for development timelines, regulatory review, capital investment cycles, and supply chain coordination.**

FPA Flexible Packaging Association