

COVID-19 crisis gives the label "Made in Germany" a new shine in the aluminium packaging sector

In the aluminium industry, some markets, such as the automotive industry, have been hit to the core by the corona crisis, resulting in extremely painful declines in incoming orders and sales. However, there was also positive news from other markets of the aluminium industry, such as the packaging sector, according to Gesamtverband der Aluminiumindustrie e. V. (GDA).

The aluminium packaging industry remained robust even during the crisis due to lively demand from the beverage, food and pharmaceutical sectors. The declining demand from traditional and in particular high-priced cosmetics segments was compensated for in part by the booming demand for hygiene products such as disinfectants.

After initial impairments in the cross-border transport of goods, German manufacturers of aluminium packaging report smoothly functioning supply chains for incoming and outgoing goods. Thus, in no phase of the corona crisis was there an undersupply of aluminium, printing inks, varnishes, closures and finished packaging. "The 'Made in Germany' quality label has once again been emphatically confirmed here and ensured maximum customer satisfaction," says Johannes Schick, chairman of GDA's Tubes, Cans and Impact Extruded Parts Division.

In some cases German manufacturers, who have well managed the corona crisis so far thanks also to the active support of trade associations and politicians, have been able to stand in for manufacturers from other countries and supply customers with quality products in these difficult times. In addition to flexible and tailored production planning in the companies, the activities of the associations were particularly helpful here, which ultimately led to confirmation by the responsible Federal Ministry of Food and Agriculture that packaging is an essential component of the system-relevant food supply for the German population. "GDA's support was of great value to us in the intensive discussions at state, district and municipal level because it also helped to ensure smooth operations in times of crisis," emphasises Johannes Schick.

However, the pleasing customer demand in the first four months of this year has now given way to significantly reduced order activity in some market segments. The inventories built up by customers, the falling demand for cosmetic products from parts of Europe and major export markets such as the USA and Latin America, where the crisis only began to show its devastating effects after a time lag, are causing many customers to act more cautiously.

Johannes Schick is therefore looking ahead to the coming months with slightly muted optimism: "We hope that the reduction in inventories now underway among customers, the changed consumer behaviour in some core markets and weakening export markets are only a temporary phenomenon and will not have a negative impact on the utilisation of production capacities of German manufacturers."

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