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**VISION News Consumer Products e-Report**

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Published by INDA, Association of the Nonwoven Fabrics Industry and organizer of the annual Vision Consumer Products Conference.

Welcome to Volume 2, No. 9 of the VISION News Consumer Products e-Report. VISION is sent monthly to executives within the consumer products and nonwovens industries. Vision reviews the news and events of each month in the disposable diaper, adult incontinence, feminine hygiene, household wipes/cleaning products and filtration markets, among other end uses that utilize nonwoven fabrics.

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### **VISION 2004 IS ON THE MOVE ... TO LAS VEGAS**

The highly successful Vision Consumer Products Conference, which attracted more than 500 people to New Orleans in January, is headed to a new location in its third year. INDA announced recently that Vision 2004 will be held in Las Vegas, Nevada at the Mandalay Bay Hotel. The dates: January 25-28, 2004.

INDA decided to take Vision "on the road" in 2004 following in-depth surveying of attendees at the Vision 2003 Conference in New Orleans last January. There was a consensus that after two years in The Crescent City a different site will be welcomed by the hundreds of attendees at what has quickly become the consumer product industry's leading conference and networking opportunity.

The program for Vision 2004 is currently being put together by the Vision Committee and further details, including how to be involved in the prestigious 2004 Visionary Awards, will be announced soon

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### ***INDUSTRY NEWS***

#### **P&G CAN'T CLAIM IT MAKES BETTER TAMPONS**

Procter & Gamble has been ordered by a federal court to stop advertising that its tampons are better than those made by Playtex Products. The ruling follows a federal jury's order early last month that P&G pay Playtex \$2.96 million for allegedly making false statements about the superiority of P&G's Tampax Pearl tampons to Playtex's Gentle Glide.

The Federal Court for the Southern District of New York on Thursday ordered Procter & Gamble to immediately recall offending promotional products and displays and to halt advertising and presentations making the claims.

"Procter & Gamble's extensive use of false and misleading advertising for the last nine months has misled consumers and the retail trade," Michael Gallagher, Playtex's Chief Executive Officer, said in a statement.

Analysts have said that P&G, which makes consumer products ranging from Tide laundry detergent to Pringles potato chips, has been winning market share from Playtex on the strength of Pearl, a tampon with a plastic applicator.

P&G said it intends to appeal both decisions.

"We respectively accept the court's ruling requiring that we stop making our Tampax Pearl advertising claims of superior wearing comfort and superior protection versus Playtex Gentle Glide," said Jay Gooch, P&G spokesperson. "We've already started the process of complying. While we continue to disagree with the decision and intend to pursue an appeal, we completely respect the integrity of the court and the jury's verdict," said Gooch.

Playtex also has a tampon patent infringement case pending against Procter & Gamble in federal court in Cincinnati. The trial is scheduled for August.

### **FREUDENBERG DIRECTOR TO KEYNOTE INTC**

INDA and TAPPI, co-sponsors of the annual International Nonwovens Technical Conference, have announced that Thomas Kehl, Managing Director of Freudenberg Nonwovens, will be the INTC 2003 keynote speaker. Kehl will speak on speeding up the development-to-market process. INTC 2003 will be held September 15-18, 2003 at the Renaissance Harborplace Hotel in Baltimore, Maryland. Register on-line at [www.inda.org](http://www.inda.org).

### **PROCTER & GAMBLE MARKETING THROUGH THE WNBA**

The Women's NBA will tout Cheer, Joy and five other Procter & Gamble Co. brands as part of a three-year marketing partnership announced last month. It's the first time that Procter & Gamble has entered a multiyear sports partnership for more than one brand. The WNBA, which is starting its seventh season, will help promote Swiffer cleaning products as well as Secret deodorant, Head & Shoulders and Herbal Essences shampoos, Cascade dishwasher detergent, Cheer laundry detergent and Joy dishwashing detergent.

The agreement includes team sponsorships and player appearances on behalf of the seven brands, in addition to advertising and other cross-promotions. The WNBA's promotional partners include adidas, America Online, American Express, Anheuser-Busch, Coca-Cola, Dell, Gatorade, General Motors, Lady Foot Locker, Lego, MBNA, Nike, Reebok, SouthWest and Verizon Wireless.

### **SCA HYGIENE LAUNCHES BODYFORM PROMOTION**

SCA Hygiene Products UK is looking to boost its presence in the feminine hygiene sector in its home country with the launch of a new promotion for its Bodyform Invisible Wings. The product features new transparent wings and is the first sanitary towel to combine the discretion of a non-winged towel with the security of a winged one.

The new "Undressed For Success" campaign will be used to test the most appropriate ways to communicate with consumers, using both on and offline channels. The aim is to raise awareness of the new product, drive sales and generate data. A branded DM pack will be mailed to households across the UK and ROI using data generated from Bodyform's consumer database and cold lists.

On the front of the DM pack, a girl is featured wearing white underwear. Once the contents of the pack are pulled from the sleeve, the underwear changes color as the different colored stripes on the information leaflet appears through the die cut space of the underwear. This aims to communicate the product benefits creatively and motivate consumers in an interactive, humorous and engaging way.

Bodyform's first large-scale online communications campaign involves a personalized email. As well as communicating product information, the email will contain a link to the game [www.undressedforsuccess.com](http://www.undressedforsuccess.com). Here, players can interact

with an online model where they drag and drop their chosen underwear onto the model in a variety of social situations (gym, interview, big night out, shopping with friends, meeting the parents). The "Bodyform Knicker Predictor" then reveals what their panty preference says about them! A downloadable coupon for Bodyform Invisible with transparent wings is also included to drive sales of the product.

### **MEDLINE OPENS READYBATH PRODUCTION FACILITY**

Medline Industries, the country's largest privately held manufacturer and distributor of health care supplies, recently opened a manufacturing facility to produce pre-moistened bathing and cleaning products, including its ReadyBath ready-to-use disposable bathing system. Located in Waukegan, IL, the new 145,000 sq. foot structure is Medline's sixth manufacturing facility, all located in North America.

Wet wipes and pre-moistened disposable washcloths are among Medline's fastest growing product lines. In just three years, ReadyBath has grown into the second largest selling disposable bathing product system in the U.S. In addition to producing ReadyBath and incontinent and baby wipe products, Medline has plans to expand into other wet wipe products in the near future, to be manufactured at the new facility.

The facility currently has two shifts and employs 40 people. A third shift is planned by the end of year.

Opening of the new manufacturing facility comes on the heels of another successful year for Medline, which saw sales increase 17% to over \$1.45 billion in 2002. Other signs of Medline's growth include the opening of another new manufacturing and assembly facility in July in Nuevo Laredo, Mexico.

### **K-C'S DEPEND WINS CAREGIVER AWARD**

Today's Caregiver magazine recently recognized Kimberly-Clark and its Depend refastenable underwear with a 2003 Caregiver Friendly Award in the Product category. Depend was the only absorbent product selected for the award.

According to Gary Barg, Today's Caregiver Editor-in-Chief, the judges were "enthralled" by the product and its versatility. "Insights into the needs of family caregivers' was important in the development of Depend refastenable underwear," said Bryce Paynter, President of Kimberly-Clark's Adult Care sector. "Caregivers helped us understand the challenges they have in caring for the incontinence needs of their loved ones, as well as their concerns with product application, comfort and fit."

Introduced in late 2001, Depend refastenable underwear is the world's first adult incontinence product that offers a choice of how to put the product on. The design makes it possible for the product to be pulled on or off like regular underwear, or opened along side perforations and applied like a wrap-around brief.

Comments from the Today's Caregiver judges reflect their appreciation for the product, which offers the protection of traditional fitted briefs, the dignity and comfort of normal underwear and the unique ability to apply the product two ways:

- ✓ "Good universal product, offers peace of mind."
- ✓ "Excellent solution to a caregiver's problem, very thoughtful."
- ✓ "Like the ability to replace the product without having to remove all clothes."

This is the third major award recognition for Depend products, which also won a 1999 Market Maker Award for outstanding performance in the Home Health Care Category and the 2000 Market Engineering Leadership Award by Frost & Sullivan Consulting.

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### *WASHINGTON, DC REPORT*

#### **EPA INDUSTRIAL WIPER PROPOSAL CLEARS HURDLE**

In a major step forward, the U.S. Environmental Protection Agency (EPA) has finished drafting a proposed rule intended to level the regulatory playing field that, for more than two decades, has advantaged use of laundered shop towels over nonwoven wipers in industrial facilities. The draft is now being reviewed by the White House Office of Management and Budget prior to publication for public comment in the Federal Register.

According to EPA officials, the proposed rule will allow soiled industrial wipers to be treated as municipal solid waste (instead of hazardous waste) if certain conditions are met. Laundered shop towels would have to meet similar conditions to avoid being treated as hazardous waste as well. INDA now anticipates that the proposed rule will be published for comment this summer.

#### **NIOSH RELEASES AIR FILTER GUIDANCE**

The National Institute for Occupational Safety and Health (NIOSH) released a 62-page report on May 2 entitled "Guidance for Filtration and Air-Cleaning Systems to Protect Building Environments from Airborne, Chemical, Biological and Radiological Attacks." The report – which can be found online at [www.cdc.gov/niosh](http://www.cdc.gov/niosh), or by calling 1-800-356-4674 and requesting publication number 2003-136 – offers advice to those responsible for non-residential buildings about assessing, installing and upgrading filtration and air-cleaning systems. The report also outlines various considerations that should be made when selecting and using air-filtration and cleaning systems.

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*FINANCIAL NEWS*

**CONCERT ANNOUNCES FIRST QUARTER RESULTS**

Concert Industries recently announced its financial results for the first quarter ended March 31, 2003. Among the highlights:

- ✓ Revenue of \$38.4 million - down from \$43.2 million one quarter earlier when strong demand from major customers contributed to record volume.
- ✓ Gross margin of \$6.8 million (17.7% of revenue) - lower than previous quarter's \$9.4 million (21.8% of revenue) as a result of competitive conditions in commodity airlaid segments and significant product mix changes at the Gatineau, Quebec plant.
- ✓ Concert recorded a net loss of \$2.6 million for the three months ended March 31, 2003. This compares with a \$200,000 net loss for the same period last year.

Concert Chairman and CEO Dieter Peter said the Company faced a number of challenges in the quarter. "Commodity airlaid segments in North America remain very competitive and we had a significant change in product mix at our Gatineau plant which reduced overall operating efficiency in the quarter," he said.

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*INDUSTRY PUBLICATIONS*

**AIRLAID PULP TECHNOLOGY PRIMER AVAILABLE**

A new primer on the Airlaid Pulp Technology is now available from INDA.

Worldwide demand for airlaid pulp nonwoven fabrics has tripled during the past decade. The industry's growth is forecast to rise over 10% per year and demand for airlaid materials will reach at least 700,000 tons worldwide by 2007. The airlaid pulp nonwoven in this primer refers to the technology that produces a web from short fibers, most of which are some form of cellulose pulp. The process is also referred to as short fiber airlaid technology to distinguish it from the Rando Weber airlaid process that handles longer fiber lengths, which are generally synthetic fibers.

The airlaid pulp process was originally conceived as a method of making paper without the use of water. In paper making, wood pulp is bonded principally by the chemical reaction between the pulp's natural cellulose and water. In contrast, the airlaid pulp process uses softwood pulp and other short length synthetic fibers to improve the fabric's strength and other web characteristics. The process yields a paper-like fabric that is thicker, loftier, softer and generally more absorbent than paper. The use of resins and thermal plastic bonding fibers also results in a nonwoven material that is more tear-resistant than paper, even when wet.

The attractive physical properties, plus a lower cost relative to many alternative fabrics, make airlaid pulp nonwovens a very suitable fabric for many disposable products. Airlaid pulp is now a leading material in disposable baby wipes as well as other consumer and industrial/institutional wipes, absorbency cores in feminine napkins, tabletop items and medical dressings. Many other end markets are emerging.

As with other INDA nonwoven technology primers, this book is a quick-read. Its approximately 40 pages are written to provide an overview of the airlaid pulp industry, its markets, sizes and growth rates, examples of product Success Stories and process technology. These primers are intended for new employees, students and executives wanting to understand this technology and its key markets. The book is available from INDA and may be ordered from the INDA web site at [www.inda.org](http://www.inda.org).

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#### **THAT'S ALL FOR THIS MONTH**

The next issue of the Vision Consumer Products e-Report from INDA will be sent July 10. In the meantime, feel free to contact editor Michael Jacobsen at 201-612-6601 or email at [mjacobson@inda.org](mailto:mjacobsen@inda.org).

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