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VISION News Consumer Products e-Report

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Welcome to Volume 3, No. 8 of the VISION News Consumer Products e-Report.

The VISION News Consumer Products e-Report is written and distributed monthly for 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 2005 RETURNING TO NEW ORLEANS IN JANUARY

It's official! The highly anticipated Vision 2005 Consumer Products Conference is returning to its home in New Orleans, LA. After a successful one-year trip to Las Vegas earlier this year for Vision 2004, Vision 2005 is now set for January 16-19, 2005 at the beautiful Sheraton New Orleans Hotel.

The Vision Committee is hard at work putting together a world-class program that will focus on all aspects of the global consumer products and nonwovens businesses, including new product development, global challenges, retail opportunities and raw material advances. Stay tuned for more information or log on to www.inda.org for registration and sponsorship information.

VISIONARY AWARD NOMINATIONS BEING ACCEPTED NOW

In related news for the Vision 2005 Conference, the nomination process has begun for the 2005 Visionary Award, which in its four years of existence has become the most prestigious award in the nonwoven and consumer products industries. The award, presented by INDA, recognizes consumer end products that utilize nonwoven fabrics or employ nonwoven technology during their manufacturing process.

INDA will be accepting nominations for the 2005 Visionary Award until September 1. The nominees will then be reviewed by an INDA selection committee and five finalists will be selected to make presentations at the Vision 2005 Consumer Products Conference. Conference attendees will then vote on the recipient of the award.

Last January at the Vision 2004 Conference in Las Vegas, the Brillo Scrub 'n Toss from Church & Dwight was selected by attendees as the recipient of the 2004 Visionary Award. Other previous winners include FMJ ChemBio for its Civilian Quick Escape Mask (2003) and Procter & Gamble's Swiffer cleaning system in 2002.

The criteria for the 2005 Visionary Award are simple:

1. The finished consumer end product must contain a nonwoven fabric or utilize a nonwoven technology during its manufacturing process.
2. The consumer product has to have been introduced to the trade or to consumers in 2003-2004.
3. The product can not have been selected as a finalist in any previous Visionary Award competition.

Products will be judged on their novel use of nonwovens technology, as well as on their consumer and trade acceptance. Eligible consumer product categories include disposable diapers, feminine hygiene product, adult incontinence products, household wipes and home filters, among others.

Companies can nominate their own products. While any number of products can be nominated, only one product per company will be selected as a finalist.

To nominate a product email an explanation of the product to Michael Jacobsen, Visionary Awards coordinator, at [mjacobson@inda.org](mailto:mjacobsen@inda.org) or call 201-612-6601 with any questions.

K-C PLANS TO SPIN OFF BUSINESSES TO CONCENTRATE ON HEALTH AND HYGIENE

Kimberly-Clark has approved its previously announced plan to spin-off its paper and Canadian pulp operations. The board also authorized the repurchase of 25 million shares of Kimberly-Clark common stock during the next several years.

Details of the spin-off – which includes Neenah Paper, the company's fine paper business, Technical Paper, its specialty paper business, and its pulp and timber operations in Canada – will be provided when Kimberly-Clark files its Form 10 registration statement with the Securities and Exchange Commission early in the third quarter.

"Today's actions are consistent with our global business plan and are aimed at increasing shareholder value," said Thomas J. Falk, chairman and CEO. "The approval to proceed with the spin-off of our paper and pulp operations allows us to further enhance our position as a highly focused and innovative health and hygiene company, while the stock repurchase authorization reflects Kimberly-Clark's strong balance sheet and our continuing ability to increase cash flow."

HUGGIES WASHCLOTHS WIN PARENTING RECOGNITION

Kimberly-Clark's new Huggies Disposable WashCloths with Baby Wash have been named a winner of the iParenting Media Hottest Products for 2004.

"We are pleased to have been chosen as a Hot Product by iParenting Media," Mark Cammarota, Huggies Infant & Child Wipes Marketing Director said. "Huggies Disposable WashCloths with Baby Wash have proven themselves to be a great new innovation for making bathtime even more convenient for parents of infants and toddlers. The ease of being able to wet the cloth, wash and toss after use makes bathtime easier than ever."

According to iParenting, the Huggies Disposable WashCloths with Baby Wash were evaluated by experts, licensed childcare facilities and parents who conducted a thorough evaluation of each item. The reviewers submitted feedback and filled out an extensive survey, which was used to rank the products. Final approval was determined by the iParenting Media Executive Committee. From these results, the Executive Committee named HUGGIES Disposable WashCloths with Baby Wash as an iParenting Media Hottest Products for 2004 Awards winner.

"The award-winning products are ones that parents can feel confident in purchasing for their families," says Alvin All, Chief Executive Officer of iParenting Media. "The products that won the title of Hottest Products for 2004 truly are the hottest products for families in today's marketplace and are among the best in the industry."

LOWER RECYCLING LEVELS CONCERN INDUSTRY

The rate of PET bottle recycling is declining in the United States, and China is pricing domestic buyers of empty bottles out of the market, according to the Association of Postconsumer Plastic Recyclers (APR). The situation is enough of a crisis that APR has retained lobbying firm Kinghorn, Hilbert & Associates to help find government policies that could reverse these problems.

"We are dangerously close to irreversibly losing significant amounts of recycling capacity," says Robin Cotchan, executive director of APR. "Business as usual cannot continue." APR represents U.S. plastics recycling companies and gets additional funding from the American Plastics Council.

Cotchan explains that although U.S. bottle production has increased, recycling has declined, leaving supplies of reclaimed bottles flat. According to the National Association for PET Container Resources (NAPCOR), about 800 million pounds of bottles were recycled in both 1995 and 2002.

Moreover, because of low labor costs, Chinese producers can offer more money for reclaimed bottles, Cotchan says. In fact, according to NAPCOR, nearly 35% of the bottles collected for recycling in the U.S. in 2002 went to China. Cotchan worries that without its feedstock, the U.S. bottle recycling industry will dry up. And goods based on recycled polyester such as nonwoven fabrics and pillow stuffing will be increasingly imported. "It could follow in the same footpath as the textile industry," she warns.

NEW SOIL-CLEANING SHEET FIGHTS POLLUTION

A research group from the University of Tokyo has worked with environmental venture Eco Global Research Corp. to develop a soil-cleaning sheet that uses the degradative power of photocatalysts to destroy organochlorines and other organic contaminants. The group has already begun field trials, and by the start of next year, aims to have a commercial product ready that can treat polluted soil around factories cheaper than the typical method of excavating and removing the dirt.

The sheet is made from a nonwoven fabric containing activated carbon, which is highly absorbent, and photocatalytic titanium oxide, which decomposes organic compounds exposed to light. Placed over soil containing volatile organic compounds, the sheet absorbs the pollutants as they escape from the soil and decomposes them by subjecting them to the photocatalyst in sunlight.

GPMI INVESTS IN WET WIPES CAPABILITIES

GPMI recently completed a major investment in new manufacturing technologies along with infrastructure to support its growth. The investment of more than \$6 million in its expansion is focused on two of GPMI's production units: the Wet Wipes Unit and the Ultrasonic Welding Unit.

After 18 months of development and engineering efforts GPMI completed its sonic welding lines, which are capable of ultrasonically bonding up to eight layers of nonwovens. These lines were recently installed and commissioned in a white room, temperature controlled environment. The lines were designed to yield the highest quality products with great production flexibility. Some of the production capabilities include: Soap/surfactant impregnated mitts for cleaning, personal care and health care; facial cleansing pads, scouring mitts/pads etc.

In addition, two wet wipe lines were added to the already existing wet wipes operations. One of these new lines is a high-speed fully automated canister line, with an emphasis on canister size flexibility, sanitation and built-in quality control systems. The second line is a new soft-pack line with the capability of producing all configurations of wet wipes; soft packs, tubs, refills, peel and reseal, and soft packs with plastic flip-top dispensers. The line includes full robotic-mechanisms for packaging, enhancing efficiency and further lowering manufacturing costs.

A new 100,000-sq.-foot manufacturing facility along with these recently developed and acquired production technologies allows GPMI to enter into long term, high volume commitments with existing customers, potential national brand companies and major private label customers.

THAT'S ALL FOR THIS MONTH

The next issue of the Vision Consumer Products e-Report from INDA will be sent July 12. In the meantime, feel free to contact editor Michael Jacobsen at 201-612-6601 or email at mjacobsen@inda.org.

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