



December 2007

VISION News Consumer Products e-Report

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

Welcome to Volume 6, No. 6 of the VISION News Consumer Products e-Report.

The VISION News Consumer Products e-Report is written and distributed every other month 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.

In This Issue:

INDA NEWS

**EARLY REGISTRATIONS AVAILABLE FOR VISION 2008 CONFERENCE
SIX FINALISTS NAMED FOR 2008 VISIONARY AWARD**

INDUSTRY NEWS

**PGI EXPANDING IN NORTH AMERICA
PAPER CONVERTING WINS MANUFACTURING AWARD
REPORT PLACES NONWOVEN SALES AT \$5.8 BILLION BY 2011
VANCOUVER SAYS 'NO' TO FLUSHABLE DIAPERS
TENDERCARE MERGES WITH HAIN CELESTIAL
EVEREADY DIVERSIFIED INTO PERSONAL CARE PRODUCTS IN AFRICA
TAMPAX AND ALWAYS IN AFRICAN 'STAY IN SCHOOL' PROJECT
COVIDIEN RAISING RETAIL PRICES**

INDA NEWS

EARLY REGISTRATIONS AVAILABLE FOR VISION 2008 CONFERENCE

A far-ranging program that will focus on topics as diverse as Sustainability, "Coolhunting," Proper Business Practices, and Doing Business in India will highlight the VISION 2008 Consumer Products Conference when the worlds of consumer products and nonwovens convene from February 11-14, 2008 at the Renaissance Worthington Hotel in Fort Worth, Tex.

Now in its seventh year, the Vision Consumer Products Conference, which is organized by INDA, Association of the Nonwoven Fabrics Industry, will once again bring together more than 400 industry professionals to focus attention on the role of nonwovens in consumer products ranging from diapers, feminine hygiene and incontinence products to filtration, wipes and other personal care items.

"The most important topics facing the consumer products and nonwovens industry in 2008 and beyond will be under the spotlight at VISION 2008," says Rory Holmes, president of INDA. "Attendees will have the opportunity to hear from some of the country's most well-respected experts on these vital topics and then will have the time to network and further discuss these issues with the hundreds of other VISION attendees."

Among the topics on the VISION 2008 agenda:

- * A two-part seminar on "Creating Value - Swimming in a Profit Pool," presented by well-known business speaker John Brandt of MPI Group. Brandt drew rave reviews at the previous VISION Conference for his brilliant presentation on the forces driving changing customer expectations and how they impact business.
- * The art of "Coolhunting" will be explained and explored by Peter Gloor, of the MIT Sloan School of Management. Gloor is the co-author of Coolhunting - Chasing Down the Next Big Thing" and will attempt to explain to VISION attendees "What is cool?" and how to find it.
- * "The 7 Irrefutable Rules of Business Growth" will be explained by Steven Little, a Senior Consultant for Inc. Magazine. These "rules" have been honed through his years of business experience and he will share his insight with the Vision audience.
- * The topical issue of sustainability will be explored in a presentation by Kimberly-Clark's Ken Strassner. He will review K-C's current and planned future sustainability efforts, including the company's environmental and energy improvement programs [Vision 2010].
- * The growing importance of India as a market for nonwovens and consumer products will be explored by Sharat Shroff, of the Matthews Group. His presentation, "India: The Evolving Consumer - Challenges & Opportunities! Discovering Value in India," will focus on the dynamic evolution of the consumer market in India, along with the

successes and pitfalls that companies have experienced in tapping this rapidly growing area.

* On the final morning of VISION 2008, James Smith, Ph.D., Professor of Economics at the University of North Carolina at Chapel Hill, will offer his insightful and entertaining Economist's Vision of the world. His prediction: "The world economy should enjoy smooth sailing until 2010, but watch out for the icebergs and tsunamis then!"

Another highlight of VISION 2008 will be the presentation of the prestigious 2008 Visionary Award, created to recognize the most innovative use of nonwoven fabrics used in a consumer product. Finalists will make presentations to Vision attendees, who will then vote on the recipient of the 2008 Visionary Award. The recipient will be announced on the final day of VISION 2008.

The six finalists for the 2008 Visionary Award are:

- ✓ Curity Brand Nursing Pad, Covidien
- ✓ Do-Rite Disposable Dog Diapers, Do-Rites
- ✓ PowerTex Glass Cleaner, Ecolab
- ✓ SpaSensials, Kimberly-Clark
- ✓ OMop Dry Sweeper Cloths, Method Products
- ✓ Consumer Shopping Bags, Reliance Industries,

Early registration for VISION 2008 ends on December 12. To register online go to www.inda.org, or call INDA at 919-233-1210.

SIX FINALISTS NAMED FOR 2008 VISIONARY AWARD

Six consumer products - five from the United States and one from India - have been nominated as finalists for the prestigious 2008 Visionary Award.

Now in its seventh year, the Award - which is given annually to a new consumer product that utilizes nonwoven fabrics in its final form - will be presented at the VISION 2008 Consumer Products Conference, February 11-14, 2008, in Fort Worth, Texas. The finalists will make presentations during VISION 2008 and conference attendees will vote on the recipient of the 2008 Visionary Award.

"The Visionary Awards finalists have been selected from more than two dozen nominations from around the world and they represent the most significant advances in incorporating nonwovens technology into consumer products," says Visionary Award Chairman Michael Jacobsen, of INDA. "The six products are being recognized not only for their technical attributes, but for their novel use of nonwoven fabrics as well."

The six finalists are:

1. Curity Brand Nursing Pad, Covidien
Covidien (formerly Tyco Healthcare Retail Group) redesigned its nursing pad into a three-dimensional lemon shape that provides a more discreet fit. It has a thinner fluff pulp/SAP core for improved dryness and comfort as well as a tissue layer on the top and bottom to better contain the core. It also utilizes a softer nonwoven for against-the-body comfort and a pastel pink poly laminate for discretion and to help minimize see through.
2. Do-Rite Disposable Dog Diapers, Do-Rites
Do-Rites are nonwoven disposable diaper/garments that are fashionable and also provide the protection of a disposable diaper, without looking like one. The design contains adjustable nonwoven straps that “keep the diaper on the dog and the dog in the diaper.” Also, the nonwoven tail panel has been engineered to prevent the escape of solid and liquid waste.
3. PowerTex Glass Cleaner, Ecolab
With applications in both consumer and institutional products, this system offers an environmentally responsible spray bottle cleaning system that uses a chemically impregnated nonwoven “sleeve,” a trigger sprayer with a specially designed dip tube system and a bottle. The user fills the bottle with water, inserts the sprayer with the sleeve attached and shakes to create a new bottle of glass cleaner. The bottle and sprayer system may be reused many times.
4. SpaSensials, Kimberly-Clark
Targeted at women 40-plus, SpaSensials are an at-home spa-like treatment consisting of intensive moisturizing and conditioning socks and gloves. Advanced technology helps the intensive conditioning formula in SpaSensials products to quickly and effectively absorb into the skin. The nonwoven material keeps moisturizers on the inside, next to the skin.
5. OMop Dry Sweeper Cloths, Method Products
The OMop Dry Sweeper Cloths are disposable dry sweeper cloths made from 100% PLA (Poly-Lactic Acid), a plastic derived from corn, and are designed to be used on a custom sweeping tool. Since the base sheet is 100% corn-derived it is annually renewable and compostable, the first of its kind.
6. Consumer Shopping Bags, Reliance Industries (India)
Taking advantage of an eco-friendly trend in many parts of the world, these reusable shopping bags are made of reverse printed and laminated BOPP film on a polypropylene nonwoven and are designed to replace conventional paper bags and cotton cloth bags in the grocery and retail market.

Last January at VISION 2007 in Denver, Tyco Healthcare Retail Group was presented with the 2007 Visionary Award for its Swim Pants. As has become a tradition at the VISION Conferences, Tyco, now known as Covidien, will make a presentation at VISION 2008 to provide an update on the winning product.

Other previous winners include Chicopee's Disaster Relief Blanket (2006); Fiberweb's Resolution Print Media (2005); Church & Dwight's Brillo Scrub 'n' Toss (2004); FMJ ChemBio's Civilian Quick Escape Mask (2003); and Procter & Gamble's Swiffer (2002).

For more information: [VISION 2008 Homepage](#)

INDUSTRY NEWS

PGI EXPANDING IN NORTH AMERICA

Polymer Group, Inc. has announced plans to install a spunbond line in North America to serve hygiene and other customers in the U.S. and Mexico. The new line will increase capacity by approximately 15,000 metric tons for this segment to meet ongoing strong demand for the company's nonwoven materials used in diapers and other personal hygiene products. The company expects that commercial production will begin in late 2008.

The line will produce lightweight, strong fabrics that are used in fine denier top sheet and other materials in diapers.

"This planned expansion in North America, along with our expansion underway in South America, shows our commitment to expanding our production capabilities in our core growth market segments. As demand for our products increases in each of our markets, PGI is expanding to serve our customers' needs," said Polymer Group's chief executive officer, Veronica (Ronee) M. Hagen.

Polymer Group also is currently installing a new spunbond line near Buenos Aires, Argentina, that will more than double the capacity of its joint venture facility to meet growing demand for its products in the Mercosur trading region. This line is on schedule to be fully installed by year-end.

PAPER CONVERTING WINS MANUFACTURING AWARD

Paper Converting Machine Company (PCMC) has been awarded the Manufacturing Award of Distinction, which honors excellence in manufacturing in Northeast Wisconsin. The award is sponsored by Advance, the economic development arm of the Green Bay Area Chamber of Commerce and was presented on November 14. As part of this recognition, PCMC has now been nominated by Advance for the Wisconsin Manufacturer of the Year (MOTY) Award. The MOTY award program is an annual recognition of excellence in manufacturing, which celebrates the successes of manufacturers in the state-their innovations, philanthropy, technological advances, commitment to customer satisfaction and quality jobs.

REPORT PLACES NONWOVEN SALES AT \$5.8 BILLION BY 2011

Demand for nonwoven roll goods is projected to increase 4.5% a year to \$5.8 billion in 2011, driven by healthy gains in key markets such as filtration, construction and wipes, according to a new study conducted by the Freedonia Group.

Further growth will derive from increased market penetration in many applications, including industrial wipes and roofing membranes, as new technologies improve the functionality of nonwoven materials. However, gains will be limited by intense price competition in consumer markets, where some converted product manufacturers will seek to cut costs by reducing the amount of nonwoven material in their products.

Spunbonded nonwovens will remain the dominant product, accounting for roughly half of total volume in 2011, owing to its position as the material of choice in major markets such as baby diapers. Gains in spunbonded nonwovens will be driven by performance advantages, the development of new applications and increasing demand for composite nonwovens featuring spunbonded webs. Although carded and wetlaid nonwovens are expected to see the slowest gains, certain segments of these product types will have more favorable prospects.

Among disposables markets, consumer products will continue to account for the largest portion of nonwovens sales, though growth will be restricted by below average advances in baby diaper and feminine hygiene markets. Somewhat offsetting this sluggishness in the consumer market will be favorable gains in adult incontinence markets, primarily due to the aging U.S. population. Demand in the filtration market will see the most rapid gains, as nonwovens continue to take market share from other materials such as paper and woven fabrics.

VANCOUVER SAYS 'NO' TO FLUSHABLE DIAPERS

A recent article in the Vancouver (WA) Columbian debated the use of disposable diapers versus cloth versions and profiled a Portland-based company that has carved out a national reputation with a third alternative -- just flush it.

GDipers is touting the best of both worlds: an easily handled diaper that's safe to flush. "A new Earth-friendly hybrid that you can flush, compost or toss," the company enthuses on its Web site.

But in a newly released study, the city of Vancouver says, "Not so fast."

The city, in a study conducted last year and finalized recently, put gDiapers to the test. After searching in vain for relevant research, the city's engineering department reported that it dyed gDiapers' disposable liner pads and tracked the product through Vancouver's sewer system. The city concluded that the liners run the risk of entangling pumps. In addition, engineers found that the product could hinder the system's ability to kill pathogens with ultraviolet light before the effluent is discharged into the Columbia River.

"Consumers should bag the used product and place it in their garbage container for disposal," the study concluded.

This, of course, is not good news for the company that touts its environmental bona fides. GDiapers has lately earned generally positive press in newspapers across the country.

"We've done a lot of due-diligence," said CEO Jason Graham-Nye, who founded the company with his wife, Kim.

Officials with the company contend that a version of its product has been sold in Australia for 15 years without complaint, and that the city's methodology was fundamentally flawed.

"We are in fact very disappointed that (Vancouver) has chosen to discourage individuals from flushing gDiapers into their system until more testing is done," Kate Bailey French, the company's marketing director, wrote in an e-mail to The Columbian on Monday, "and believe that our Cradle-to-cradle certification (www.Mbdc.com), National Sanitation Foundation/WERF flushability testing and testing in Australia support our flushability claims."

Brian Carlson, the city's public- works director, said the city stands by its study.

"You can flush a lot of stuff with the flush test, but you've got to look further than that," Carlson said. "Obviously, the toilet's not a trash receptacle."

Company officials last week met with Carlson and other city officials, and both sides agree there is room for more study on the matter. The company contends Vancouver engineers did not follow company instructions of tearing open the liners and swishing them in the toilet prior to flushing. "Honestly, it would never leave your own house's plumbing system," French Bailey said. "It's designed to be superabsorbent, so it would cause a clog."

Carlson said the city's study does not assume customers will always use the product correctly.

"Not everyone uses the product the way that it's intended," he said.

City engineers did not, in fact, actually flush the liners down a toilet. They were dropped directly into a sewer main.

Vancouver officials, who met with gDiapers representatives last week, agreed that the issue merits more study by an outside research organization. Until then, Carlson said the city will stick with its recommendation not to flush gDiapers until the company proves it won't harm the city's ability to treat wastewater.

"Our study was meant to be a basic study," Carlson said.

TENDERCARE MERGES WITH HAIN CELESTIAL

TenderCare International has signed a merger agreement with The Hain Celestial Group, a natural and organic food and personal care products company. Under the terms of the agreement, Hain Celestial has agreed to pay \$0.45 per share in cash for all of the outstanding shares of TenderCare stock.

TenderCare is a Wisconsin-based marketer and distributor of natural chlorine-free and gel-free diapers and natural formula baby wipes under the Tushies and TenderCare brand names. Other terms of the acquisition were not disclosed.

EVEREADY DIVERSIFIED INTO PERSONAL CARE PRODUCTS IN AFRICA

Eveready East Africa is set to shed its dependence on Size D batteries next year with the introduction of personal care products in the local market. Concern over the batteries' dwindling appeal, cheap imports and emerging competition has seen the Eveready shares tumble.

In order to diversify, the firm will now introduce tampons, moist tissues, dish washing gloves and baby care products such as baby bottles and breast pumps under the Playtex Products brand. The products will be in direct competition with those offered by Procter and Gamble such as Always (sanitary pads), Pampers (diapers) and Gillette (razor blade) brands.

Playtex was acquired by Eveready's parent company, Energizer Holdings of the U.S., a month ago.

TAMPAX AND ALWAYS IN AFRICAN 'STAY IN SCHOOL' PROJECT

Girls living in sub-Saharan Africa can miss up to four days of school each month because they lack the basic necessity of sanitary protection and other resources to manage their periods. To help give girls in this part of the world a better chance at an education and to raise awareness of this issue, P&G brands Always and Tampax are joining forces with HERO, an awareness building and fundraising initiative of the United Nations Association to launch the Protecting Futures program (see also P&G).

According to research, 1 in 10 school-age African girls do not attend school during menstruation or drop out at puberty because of the lack of clean and private sanitation facilities in schools. And, if a girl has no access to protective materials or if the materials she has are unreliable and cause embarrassment, she may be forced to stay at home while menstruating. This absence of approximately 4 days every 4 weeks may result in the girl missing 10 to 20 percent of her school days. The Protecting Futures program will provide products and services to help keep girls in school as well as help foster the overall health and well-being of every child in the targeted school communities.

Protecting Futures, a ground-breaking five-year commitment was born out of a pilot program Always launched in Kenya two years ago through a partnership with the Girl

Child Network (GCN) and is a part of P&G corporate cause, Live, Learn, and Thrive which has helped over 50 million children in need.

COVIDIEN RAISING RETAIL PRICES

Covidien recently announced that its Retail Products business, comprised of retail brand/private label adult incontinence, feminine hygiene, household cleaning, baby diapers and training pant products, will increase prices in the U.S. baby diaper and training pant categories by 4 to 7 percent. The company expects the increases, which will be effective February 3, 2008, to offset significant inflationary pressure from higher raw material and energy costs.

"As a leading manufacturer of adult care and infant care products, we have a responsibility to ensure high levels of exceptional customer service, product quality and an ongoing pipeline of product innovation. To accomplish these goals in the current environment, where the cost of pulp and oil-based raw materials have been subject to substantial increases, we are implementing this pricing action to partially offset these cost increases," said Douglas E. Strohmeier, President, Covidien Retail Products.

That's all for this month. Feel free to contact editor Michael Jacobsen at 201-612-6601 or email at [mjacobson@inda.org](mailto:mjacobsen@inda.org).

If you do not wish to continue receiving this email newsletter, please respond to info@inda.org and you will be removed from the list.