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VISION News Consumer Products e-Report

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Welcome to Volume 7, No. 3 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.

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INDA VISION NEWS

NOMINATIONS NOW BEING ACCEPTED FOR 2009 VISIONARY AWARD

The nomination process for the prestigious 2009 Visionary Award is now open to the global nonwovens and consumer products industries. INDA, which sponsors the annual award, will be accepting nominations through September 1. Now in its eighth year, the award recognizes consumer end products that utilize nonwoven fabrics or employ nonwoven technology during their manufacturing process.

The 2009 Visionary Award will be presented at the VISION 2009 Consumer Products Conference, which returns to New Orleans January 26-29, 2009 at the Sheraton Canal Street, site of the original VISION Conference in 2002.

The process and criteria for the 2009 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 2007-08.
3. The product can not have been selected as a finalist in any previous Visionary Award competition.
4. 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.

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

The nominees will be reviewed by an INDA selection committee and finalists will be selected to make presentations at the VISION 2009 Consumer Products Conference. Conference attendees will then vote on the recipient of the award and the recipient is announced on the final day of the VISION 2009 Consumer Products Conference.

Last February at the VISION 2008 Conference in Fort Worth, Tex., Kimberly-Clark's SpaSensials spa treatment was named as the recipient of the 2008 Visionary Award. Vision 2008 attendees selected SpaSensials over five other nominated products - Curity Brand Nursing Pad, Covidien; Do-Rite Disposable Dog Diapers, Do-Rites; PowerTex Glass Cleaner, Ecolab; OMop Dry Sweeper Cloths, Method Products; and Consumer Shopping Bags from Reliance Industries (India).

Other previous winners include Tyco Swim Pants (2007); 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).

To nominate a product, email an explanation of the product to Michael Jacobsen, Visionary Awards coordinator, at [mjacobson@inda.org](mailto:mjacobsen@inda.org). Samples of the product should also be sent to Michael Jacobsen, INDA, 22 Paterson Avenue, Midland Park, NJ 07432 USA.

Call 201-612-6601 with any questions. For more information on the VISION 2009 Consumer Products Conference, log on to www.inda.org.

WOW CONFERENCE TO UNVEIL FLUSHABILITY GUIDELINES

What consumers want out of their sustainable wipes products – and what it means to be “green” – will be the focus of the second annual World of Wipes (WOW) International Conference. The event will once again explore topics ranging from raw materials to converting and end-use applications during three days of seminars and networking June 16-18 at the Millennium Knickerbocker Hotel in Chicago, Ill.

WOW will feature the premiere of the new Flushability Guidelines for the wipes industry. Attendees will learn about these new Guidelines, which include tests that determine whether products are flushable. The document has been developed by leading member companies in INDA and EDANA over the past three years. This critical document will be unveiled at WOW by presenters from Kimberly-Clark and Procter & Gamble.

This Conference, organized by INDA, is devoted solely to wipes, with a concentration on substrates, active ingredients, packaging, market metrics, industry challenges and

market opportunities, particularly in Asia and Europe. The inaugural event in 2007 in Atlanta drew more than 200 attendees.

At the heart of WOW 2008 will be a focus on sustainability and how companies can gain an advantage by going green. As part of this focus, first-day keynote speaker Darrin Duber-Smith, of Green Marketing, Inc., will speak on "The Green Imperative: Sustainability and Social Responsibility in Marketing." Duber-Smith will discuss the growing importance of incorporating people and environmental considerations into a business model.

A second keynote session on Day 2 of the Conference will feature Cheryl Perkins, founder and president of **Innovationedge** and a former Kimberly-Clark executive, who will speak on "Creating a Sustainable Innovation through an Innovation Ecosystem." Perkins will share best practices for taking innovation to the next step and will offer examples and case studies of companies that have successfully delivered sustainable results.

Finally, on Day 3 a third keynote presentation will be made by Irv Weinberg and Carolyn Parrs, of Mind Over Markets. Their presentation - "The Ten Commandments of Green Communication" - will provide an essential guide to understanding and communicating with a fast growing and informed demographic by marrying ecology to economy.

WOW 2008 will also mark the debut of the WOW Innovation Awards (see item below).

Registration for INDA members is \$1195 (\$1675 for non-members). To register or for more information: www.inda.org.

FINALISTS NAMED FOR INAUGURAL WOW INNOVATION AWARDS

Six finalists have been selected to compete for the inaugural WOW Innovation Awards competition being held as part of the second annual World of Wipes (WOW) Conference, June 16-18, 2008 in Chicago, Ill. The WOW Awards recognize and reward the industry members who bring new and value-added processes and products to the wipes market.

The six finalists, chosen from products nominated by the industry earlier this year, are:

- ✓ Ahlstrom - Natural Choice Flushable Wet Wipe. Made from Hydraspun dispersible fabric, the wipe, which was launched in Wal-Mart Stores in late 2006, breaks apart when flushed and reduces the chance for blockages in home and waste management systems.

- ✓ Care Dynamics - Care Dynamics Handwashing Towelette. This high-tech, soap-impregnated dry towelette has a unique system that features a water- and time-activated indicator that informs the user that hands have been washed for adequate time to be effective.
- ✓ KlenzPod - Wet Wipe Dispensing System. This system consists of elegant dispensers with hygienic spent-wipe disposal facility, nozzles that ensure single wipe dispensing, and wipe perforations that ensure a tail for the next user.
- ✓ Method Products - Bamboo Household Cleaning Wipes. Method has replaced its traditional household cleaning wipe with this 100% bamboo nonwoven wiper in a flexible package with a custom flip-top, improving the environmental footprint of the product.
- ✓ Polytex - AquaPuff Expandable Ink. AquaPuff is an expandable ink that will grow when heat is introduced to the substrate, thereby amplifying the characteristics of the wipe.
- ✓ Rockline/Strateline - Environmentally Sensitive Baby Wipe. This environmentally friendly baby wipe is made with 75% regenerated cotton sourced from white T-shirt trimmings. It also features an eco-friendly solution with ingredients made from renewable plant sources.

“The purpose of WOW is to highlight the new products, processes and technologies that are driving the global wipes business in 2008,” says INDA President Rory Holmes. “This WOW Innovation Award will further recognize the 'best of the best' of these new products and technologies and the recipient will be chosen by the people who know these products best - attendees at WOW.”

The six finalists will give 15-minute presentations during WOW and attendees will then vote on the recipient of the 2008 WOW Innovation Award. The Award will be presented during a session on the final morning of the Conference.

INDUSTRY NEWS

FLUSHAWAY TECHNOLOGY ACQUIRED BY PAYCHEST

PayChest Inc., an integrator of commerce platform solutions and a strategic marketing company, has acquired the exclusive worldwide rights to Flushaway, the patented range of absorbent biodegradable and flushable products.

Flushaway has launched its feminine hygiene products into international markets through large retail chains. These include Wal-Mart, Walgreens, and K-Mart in the U.S.;

Waitrose, Boots and Sainsburys in the UK and Franklins and Big W in Australia. The company has also sold into the South African market, through Pick 'n Pay and Clicks as well as into retailers in Hong Kong.

PayChest has acquired the worldwide sales and marketing rights excluding select territories where distribution agreements already exist and the right of first refusal on any existing distribution agreements that may lapse, terminate or be abandoned. The company now also owns worldwide use of Flushaway related IP, trademarks and patents as well as worldwide exclusive manufacturing rights to Flushaway.

FIBERWEB DIVERSIFIES, STREAMLINES MANAGEMENT

Fiberweb recently sold its 15% interest in Saudi German Nonwoven Products Company to its fellow shareholders – Zamil Group Holding Company and Al-Rajhi House Enterprises – for \$7.28 million. SGN manufactures nonwoven materials predominantly for hygiene applications from its manufacturing site at Al-Khobar, Saudi Arabia.

In a somewhat related move, the company streamlined leadership in its European hygiene business. Its European hygiene business will be led by CEO Daniel Dayan; Carsten Heldmann, head of global research and development has been appointed global key account director of Fiberweb's important relationship with Procter & Gamble. At the same time, the company announced that long-time employees Gianluigi Fornoni, president hygiene Europe, and Pieter Meijer, sales and marketing director hygiene Europe, will leave the business immediately. In one other move, Hans-Jörg Oberberg, president Europe industrial, will add Fiberweb's European filtration activities to his existing responsibilities.

Fiberweb will now focus its research and development activities in Old Hickory, TN and Peine, Germany and will reportedly close R&D activities in Simpsonville, SC by the end of the year.

K-C RAISING PRICES ON BABY PRODUCTS

Citing significant inflationary pressure from higher raw material and energy costs, Kimberly-Clark will increase prices in its baby and child care and consumer tissue businesses during the third quarter of 2008. According to the company, prices for Huggies diapers, Pull-Ups training pants, Cottonelle and Scott bathroom tissue, Viva towels and Kleenex facial tissue, will increase on average between 6-8% during the summer months.

P&G TEAMS WITH UNICEF ON DIAPER DISTRIBUTION

[From nonwovens-industry.com] Pampers, P&G's leading diaper brand, has kicked off the North American launch of its multi-year, multi-million dollar commitment to UNICEF to provide life-saving tetanus vaccines to women of child-bearing age in developing countries. Joined by actress and new mom Salma Hayek in Chicago, IL, Pampers announced its One Pack = One Vaccine campaign, part of a global initiative with UNICEF to eliminate maternal and neonatal tetanus (MNT), a preventable disease that claims the lives of approximately 140,000 infants and 30,000 mothers in developing countries each year.

The program aims to provide 45 million vaccines for mothers in need in developing countries worldwide this spring and summer, and will support UNICEF's efforts to eliminate tetanus in 12 African countries within the next 12 to 24 months.

From April 7 through August 31, 2008, for every specially marked Pampers diaper or wipe product with a One-Pack = One Vaccine sticker purchased in the U.S. and Canada, Pampers will provide UNICEF with funding for one tetanus vaccine that will benefit a woman in need and her newborn. Participating products include: Pampers Swaddlers, Swaddlers Sensitive and Cruisers diapers, Easy Ups training pants and Pampers Sensitive, Swipers and Clean n' Go wipes.

Initially launched in 2006 in the United Kingdom and expanded to Western Europe in 2007, the One Pack = One Vaccine program has already helped provide more than 25 million life-saving vaccines for countries in Africa and Asia. With help from consumers throughout the U.S. and Canada this year, total global donations are expected to exceed 70 million vaccines. Ms. Hayek serves as the North American spokesperson for the campaign.

DOW CITES ENERGY CRISIS IN UPPING PRICES

[From *Associated Press*] Better start stocking up on diapers and detergent. Consumers hit hard in recent months by sharply higher prices for gasoline and food should prepare to start paying more for various household items following Dow Chemical Company's decision to raise its prices by up to 20 percent to offset the soaring cost of energy.

The company took the unusual step of directing blame at the nation's energy policy makers.

"For years, Washington has failed to address the issue of rising energy costs and, as a result, the country now faces a true energy crisis, one that is causing serious harm to America's manufacturing sector and all consumers of energy," Andrew Liveris, Dow Chemical's chairman and chief executive, said in a written statement.

Dow Chemical's spiraling costs are "forcing difficult discussions with customers," he said.

The Midland, Mich.-based company supplies a broad swath of industries, from agriculture to health care, and any sizable price jumps would likely affect almost all of them. Dow Chemical makes everything from the propylene glycols used in antifreeze, coolants, solvents, cosmetics and pharmaceuticals, to acrylic acid-based products used in detergents, wastewater-treatment and disposable diapers.

Companies and entire industries are looking for ways to share increases in the cost of doing business, said Mark Stephenson, a spokesman for chemical giant BASF Corp. He said BASF had raised its prices for "a handful of products" during the past three months, but he did not know how many products had gone up in the year.

Another competitor, Rohm and Haas Co., announced April 29 that, beginning this month, it will apply an indexed raw materials and energy surcharge to products made by its Specialty Materials businesses. The index will be adjusted up or down monthly, based on the collective changes in key raw material, crude oil and natural gas costs, according to the Philadelphia-based company's Web site.

Paul Fox, a spokesman for Procter & Gamble Co., said the company announced some pricing changes earlier this year and had no immediate response to the action being taken by Dow Chemical. Cincinnati-based P&G reiterated in April that more price increases were coming this summer.

Polymer Group, Inc. also announced earlier this month that it will raise prices on polypropylene-based materials sold in North America due to significantly higher oil-based raw material and energy costs. The company will increase prices 5 to 7 percent on these products, effective June 1. Polypropylene is a key element in manufacturing high-quality spunbond materials used in various products, including diapers and hygiene products.

PGI EXPANDS IN MEXICO

Polymer Group, Inc. has started construction on its approximately \$50 million plant expansion in San Luis Potosi, Mexico. The new multi-beam spunmelt line will produce high-barrier materials for hygiene and medical applications to meet growing demand from customers in North America, and increase capacity by approximately 15,000 metric tons.

PGI is also building an expansion at its plant in Zona Industrial del Potosi that will house the new Reifenhauser REICOFIL 4 line. In addition to serving customers in Mexico and the U.S., it also is a gateway for PGI to supply its products to Central

America and the Caribbean. The new line is expected to begin production by mid-2009 and will produce lightweight, strong fabrics that are used in fine denier back sheet, leg cuffs and materials that go into other parts of diapers, as well as fabrics that provide high-barrier protection and comfort for medical garments.

PGI APPOINTS KOCOUREK AS CFO

In one other news item from PGI, the company has named Robert Kocourek chief financial officer of the company. Kocourek previously served as vice president and chief accounting officer.

Kocourek, 54, brings over 30 years of experience to this position. He joined PGI in May 2006 as vice president, corporate finance and treasurer. For three years prior to joining the company, Kocourek had consulted with PGI, assisting on its Sarbanes-Oxley implementation as well as on other financial accounting and reporting projects. From January 2001 through September 2003, Kocourek was employed by Unifi, Inc., a publicly traded textile manufacturer, and held the positions of director of planning and budgeting, treasurer, and vice president and chief financial officer.

ECP INVESTS \$47.3 MILLION IN AFRICAN PERSONAL CARE COMPANY

Emerging Capital Partners (ECP), an international private equity firm focused on investing across the African continent, recently announced a \$47.3 million investment in Societe d'Articles Hygieniques (SAH), Tunisia's leading personal care company and producer of absorbent hygiene products. The funds will be used to expand operations in SAH's existing North African markets, as well as to enter into new markets.

Over the past five years, SAH's revenue has grown in excess of 30% a year, and the company has more than doubled its return on equity. The company - which produces baby care, feminine care, incontinence care, and related paper products under the "Lilas" brand - intends to expand its product range in Tunisia, grow its market share in Algeria and Libya, and accelerate its development in Mauritania and sub-Saharan Africa.

"SAH is an established player in Tunisia and has an excellent track record of expanding into new markets and products," said Vincent Le Guennou, executive vice president of ECP. "The company has formed impressive distribution networks and has adapted its packaging to fit its various markets. This has enabled SAH's export business to grow to more than 40 percent of overall sales, which we view as a positive indicator for future success."

The investment in SAH was made through a consortium of two ECP managed funds: ECP Africa Fund II and the ECP MENA Growth Fund. The ECP Africa Fund II was established in December 2005 to capitalize on the numerous investment opportunities

throughout Africa in sectors such as telecom, natural resources, financial services, agribusiness, transportation, and power and water. The ECP MENA Growth Fund was established in September 2007 to make growth equity investments in the Middle East and North Africa regions.

DIAPERS FOR MOMS ON MOTHER'S DAY

This year for Mother's Day, instead of giving the usual bottle of cologne, an organization urged people to thank Mom for all her love and support by giving help to another mom who needs it. Its recommendation: Making a donation in your mother's name to the Diaper Bank, a nonprofit organization that makes diapers available to low-income families who otherwise wouldn't be able to afford the high cost of disposable diapers.

Babies need an estimated 6,000 diaper changes during their first two years of life, which can cost up to \$100 per month. And in low-income households, that means that babies often spend an entire day in a single diaper because the family can't pay for an adequate supply. Even worse, federal programs like food stamps or the Women, Infants and Children program, do not allow parents to use aid money for diapers. Diapers are on the "banned" list, along with alcohol, pet food and tobacco.

The Diaper Bank was started in 2004 by Joanne Goldblum, a social worker who heard from her low-income clients how difficult it was to come up with money to pay for this basic need and keep their children healthy and clean. Today, the Diaper Bank is giving away more than 80,000 diapers a month in New Haven alone. For more information: www.thediaperbank.org

PATENT REVIEW

Package that includes a plurality of disposable absorbent articles

Pub. Number: US7370760

Applicant: Kimberly-Clark Worldwide

Inventor: Clough, Jane

Abstract: Some example embodiments of the present invention relate to a package that includes a bag and a plurality of absorbent articles that are stored within the bag. The bag includes a plurality of sidewalls and a bottom portion that is connected to each of the sidewalls. The bag further includes a resilient member that extends through each sidewall such that the resilient member forms an adjustable opening in the bag. In some forms, the absorbent articles are diapers that are folded and arranged in a parallel configuration within the bag. Some other example absorbent articles include diapers, feminine hygiene articles, pull-ups, incontinent pads and training pants (among others). The package is able to adequately store disposable absorbent articles once the package

has been opened. Therefore, the package eliminates the labor which is typically required to move the disposable absorbent articles from the opened package to another container.

Method of making an edge fold having substantially uniform gathers for absorbent article

Pub. Number: US7368027

Applicant: Procter & Gamble

Inventors: Schneider, Uwe; Schmitz, Christoph; Jackels, Adi

Abstract: A method for making an edge fold on an absorbent article having longitudinal edges including the steps of activating a portion of an absorbent article along its longitudinal edges to create substantially uniform gathers, folding a portion of the absorbent article along its longitudinal edges, and bonding a portion of the absorbent article along its longitudinal edges. Said method may include the step of cutting a portion of the absorbent article before the step of folding. Said method may include the step of cutting a portion of the absorbent article after the step of bonding. Said step of activation may include the application of heat to the absorbent article to assist in the activating process, whether before or during activation. Said bonding may be performed by application of adhesive, ultrasonic bonding, compression bonding, thermal bonding, radio frequency bonding, infrared bonding and combinations thereof. Absorbent articles include disposable diapers, sanitary napkins, pantliners, incontinence briefs, and incontinence undergarments. Said step of folding creates an edge fold that substantially covers a portion of a longitudinal edge between a pair of side panels.

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).

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