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AMERIPEN Report: Packaging Industry Contributes \$537.91 Billion to U.S. Economy

June 22, 2021 (St. Paul, MN) – The U.S. packaging industry contributes \$537.91 billion in total economic output to the national economy, according to a <u>new study</u> released today by <u>AMERIPEN – the American Institute for Packaging and the Environment</u>. That is roughly equivalent to 2.50 percent of gross domestic product (GDP).

"The recent pandemic demonstrated the value of packaging as an essential element that plays a key role in ensuring the health and safety of people and products," said AMERIPEN Executive Director Dan Felton. "As we begin to recover from the pandemic, our 2021 Packaging Industry Economic Impact Study further demonstrates the value of packaging through the jobs and economic impact our industry creates."

All told, the packaging industry is responsible for nearly 1.7 million jobs in the U.S. These workers earn over \$117.73 billion in wages and benefits, and members of the industry and their employees pay \$43.46 billion in direct federal, state and local taxes.

Information from the new study conducted by John Dunham & Associates and released by AMERIPEN finds that the U.S. packaging industry is directly responsible for 489,440 jobs. An additional 540,554 jobs are created by suppliers providing a broad range of products and services to the packaging industry, and an additional 659,817 jobs are generated through the induced impact of the industry's economic contribution. The induced jobs are held by a diverse group of people and include retail clerks to truck drivers to press operators to artists as well as engineers, scientists and office workers.

"To put this in context, the packaging industry directly creates more jobs than the oil and gas extraction industry (479,670 jobs) and nearly as many as the data processing and hosting industry (495,432 jobs) or the motion picture industry (498,638 jobs pre-COVID)," said John Dunham, Managing Partner of John Dunham & Associates.

"Everyone interacts with packaging every day. This study reinforces that commercial impact. Packaging enables the variety of choices we have from food and beverage options to on demand product delivery to our home," said Tom Egan, Vice President of Industry Services for PMMI, the Association for Packaging and Processing Technologies.

The U.S. packaging industry, as it manufactures and distributes products, also strives to play a key role in environmental protection, resource conservation and sustainability. Packaging serves a valuable environmental role in protecting products from damage, extending shelf-life and reducing material use.

A full breakdown of the study, including the economic impact by state and by packaging materials and substrates (e.g., aluminum/steel, glass, paper, plastic, etc.) and other segments (e.g., converters, fulfillment, packaging envelopes and labels, etc.) is also available for further research.

Please visit <u>www.ameripen.org/page/economic-impact</u> for more information, including a complete explanation of the data, model and methodology used for this study.

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<u>AMERIPEN</u> – the American Institute for Packaging and the Environment – is a coalition of packaging industry entities dedicated to improving packaging and the environment. We are the only material neutral packaging policy association in the United States and our membership represents the entire packaging supply chain, including materials suppliers, packaging producers, consumer packaged goods companies and end-of-life materials managers. Our Vision is for packaging to be recognized for all its benefits, including preventing waste and driving a circular economy and our Mission is to be the leading voice for the packaging industry, using science to inspire, create and advocate for sustainable solutions for the packaging value chain.