

# ROUNDUP

## DIGITAL NEWSLETTER

VOLUME 1, ISSUE 1

### MESSAGE FROM CMG PLASTICS

Despite the challenges faced across our country and around the world during the past two years, we cannot help but feel a strong sense of gratitude. We are grateful for our customer relationships. We have worked hard to provide a safe, productive environment for our team, and we appreciate how hard they have worked to adapt while maintaining the level of service our customers have come to expect.



The CMG Plastics' family is approaching 2022 and beyond with optimism. We will continue to invest in our people, technology, and processes to drive innovation and prioritize sustainability in everything we do. At the same time, we will always stay focused on the needs and challenges of our customers so we can provide the solutions you need, when you need them.

The road ahead is filled with opportunity. And in 2022 we'll be taking advantage of new opportunities in innovation, technology, and equipment to offer increased expanded capabilities and greater service. Keep your eye on CMG Plastics in the coming year. Big news is on the horizon! We look forward to moving forward with you, together.

Jens Duerr - Director, Business Development

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## MEDICAL PACKAGING SUPPLIER FINDS TRUE PARTNERSHIP WITH CMG PLASTICS

A global medical packaging supplier of critical packaging supplies was expanding into new areas and needed to increase its capacity. For business continuity, the company also required redundant sourcing for its plastic injection molded products. The New Jersey Manufacturing Extension Program (NJMEP) recommended CMG Plastics as a premium injection molding company that could consistently meet its manufacturing specifications.

The company was impressed with CMG Plastics' food-grade product experience and ISO 9001:2015 and FSSC 22000 (food safety system) certifications, which showed that CMG Plastics had a robust quality system in place. The redundancy CMG Plastics has with its Canadian facility was also a major plus.



### *Building New Molds with Limited Data to Meet Robust Requirements*

CMG Plastics recommended a mold maker to create new molds and helped to ensure the customer's specifications and quality requirements were met.

*"The molds we had were very old," explained the company's supply chain director. "We had very limited drawings and details, so the CMG Plastics team stepped up and created the part drawings required to manufacture the product to the current spec. They brought everything into play - shrink rates, production rates, sizes, and cavities for the product - so it met our specification."*

### *Streamlining Inspections Saves Time*

CMG Plastics' attention to quality helped the company avoid the delays and costs that often result from defects being found during incoming inspections.

*"Together we worked on what we call a QC pallet, for some of our products so we're able to maintain certain pallets fully wrapped and prepared for shipment," explained the supply chain director. "We only tear open one pallet, which contains our samples to be inspected. We can turn those shipments around much quicker when we don't have to tear open fifteen other pallets."*

### *A Long-Term Partnership*

*"I think the willingness of the team to look and see what is best for all of us to be successful is really the most important part of the partnership," said the supply chain director. "We count on our strategic partners to keep us updated on market trends. The resin industry in 2021 was just a total disaster and nightmare, but we did not have any hiccups with the supply for our product. It's been a great partnership."*

## CMG PLASTICS CELEBRATES 15 YEARS!

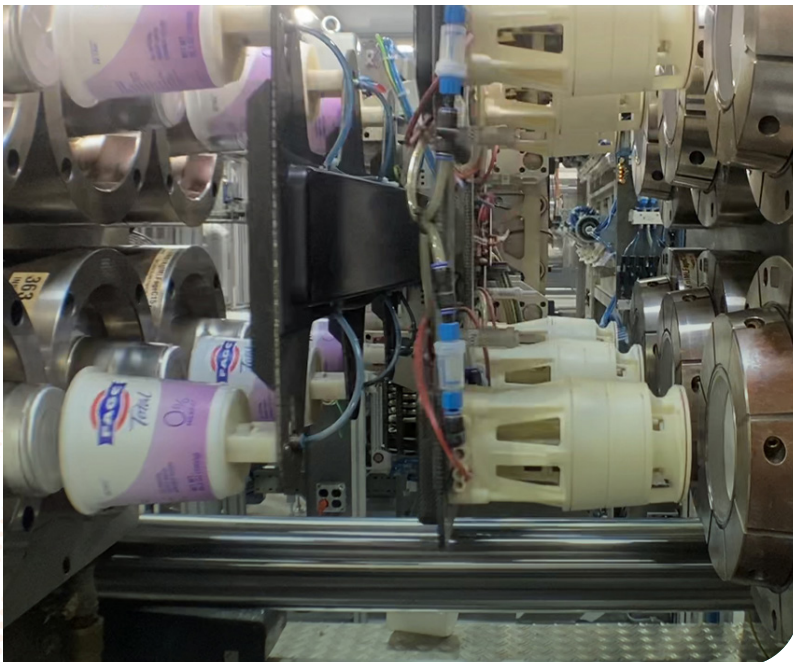
In 2006, two family-owned companies with long, proud histories in plastic packaging and products – Duerr Tool & Die Corp. and Custom Molders Corp. – merged to form CMG Plastics. 15 years later, CMG Plastics is still a family-owned company, now in its second generation, which combines old-fashioned customer service and hard work with modern technology and innovative solutions.

We are proud to reach this milestone and excited to see what the next 15 years will bring. We continue to view CMG Plastics not as a plastics business, but as a people business. We wake up each morning trying to figure out what we can do to help our customers succeed, not how many products we can sell. As we celebrate 15 years, this commitment to our customers will drive us into the future.



## IN-MOLD LABELING: THE SUSTAINABLE PACKAGING CHOICE

For a long time in-mold labeling has been the go-to solution for brands looking to shorten the supply chain and streamline the production process. Today, as issues of environmental stewardship and sustainability take on greater influence with these brands and their customers, in-mold labeling is rapidly becoming their smarter, more responsible packaging choice.



And the reasons are many.

In-mold labeling is 100% recyclable, eliminating the need to physically separate product packaging from traditional pressure-sensitive labels or shrink sleeves, which are often not recyclable. The label is part of the container, so consumers just toss the entire container in the recycling bin.

Because in-mold labeling is sustainable, durable, and capable of supporting multiple sizes, vivid colors, and limitless graphic design options, adoption is on the rise. CMG Plastics, however, was an early adopter, first investing in in-mold labeling more than 20 years ago. CMG Plastics recently added a 12th in-mold labeling system that boasts higher production speeds, volume, and capacity to accommodate brands seeking these sustainable solutions.



## CMG PLASTICS EXPANDS HIGH-SPEED IN-MOLD LABELING RESOURCES

In April 2021, CMG Plastics announced the addition of a new, high-speed Ilseemann Automation In-Mold Labeling System, the fourth in-mold labeling line to be installed at our New Jersey-based facility and 12th overall. The reason for the investment is simple – customer demand.

*“Consumer brand managers have dramatically shifted from ‘requesting’ to ‘requiring’ unique and environmentally responsible packaging solutions,”* states Jens Duerr, Director of Business Development. *“As a fully-integrated part of the container, in-mold labeling further enables brands to achieve both their marketing and sustainability goals.”*

CMG Plastics expects the global growth of in-mold labeling among major food, beverage, and consumer product companies to continue, especially as advancements such as Digimarc’s SmartLabel technology are adopted. This In-Mold Labeling integration enables brands to create unique, smartphone-enabled consumer experiences with a brand’s packaging.



*“Thanks to our extensive experience, we know precisely how to make a seamless transition to IML from other decorating methods”* says Duerr. *“This investment in additional IML technology demonstrates our ongoing mission to provide sustainable packaging solutions that help our customers succeed in today’s competitive markets.”*

## HELPING BRANDS CAPITALIZE ON COLOR

*The psychology of color is fascinating.*

For example, light blues and greens are known to create a calming effect and are often heavily used in a theater's backstage waiting area, aka the "green room."

We understand color and its subconscious impact on consumer buying habits. That is why we make it a priority to help customers achieve the best colors – and color combinations – for their packaging while differentiating themselves within the marketplace.

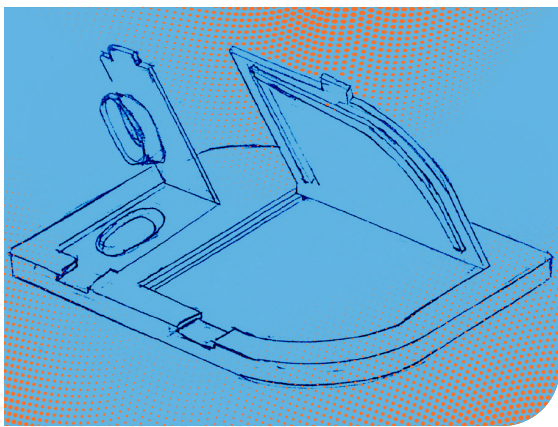
We have worked with brands across many industries to update their packaging to better appeal to their target audience while following relevant color trends. Recently, colors used for plastic injection molding and blow molding projects have moved from clear, natural, and muted tones to a bolder, more vibrant color palette that makes a strong statement.

CMG Plastics can support virtually any color or color combination you can imagine, including unlimited decorating and color effects such as metallics, glitters, embossing, and grain-like finishes. This is how brands capitalize on color in their packaging.



## CONFECTIONARY PACKAGE DESIGN, FROM SKETCH TO SHELF

At CMG Plastics, we do not necessarily consider ourselves designers, but our clients in the confectionary space often rely on us to make their design concepts commercially viable. When it comes to designing and engineering packaging for a candy brand, the question is not "Can we do it?" The more important question is, "Will the packaging solution work?"



For example:

- ✔ How will the design look on a package of a particular size and shape?
- ✔ Is the design consistent with your brand?
- ✔ How will the package open or dispense?
- ✔ Is this functionality easy for the customer to use?
- ✔ Will the package allow you to use vibrant colors that stand out on the shelf?
- ✔ Where will the barcode go?
- ✔ Is the material durable and sustainable?
- ✔ Depending on the type of confectionary, can the package be resealed and reused?

The answers to these and other questions are the difference between a visually appealing design on paper and a commercially viable confectionary package in the real world. The CMG Plastics team's knowledge of packaging materials, size and shape options, plastics, customization, and packaging function can be a strategic advantage for confectionary brands, from well-established heritage brands to newer niche brands.

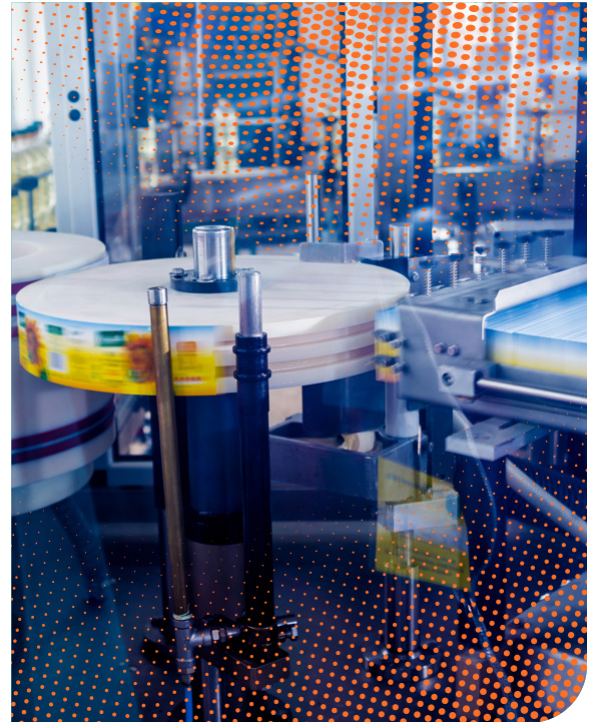


## HOW DIGITALLY PRINTED PACKAGING HELPS YOU ALIGN BRAND AND CONSUMER

Product packaging is a huge part of branding and marketing, but the same packaging will not appeal to all audiences. For example, if you are trying to sell yogurt to millennials and seniors, can you realistically expect to appeal to both groups using the same images, colors, and text?

The solution to this problem is digital printing, which uses special software to customize any component of the label based on your data without slowing down the print process. Colors, images, messaging, fonts, and other components are automatically swapped out as directed by your database. With traditional printing methods, you would have to stop the printing process and redo big print dyes every time you want to change any part of the label.

When you align your brand with specific segments of your target audience by customizing your packaging, you increase the likelihood of building connections with the people you want to buy your product.



## THE FUTURE OF PLASTIC PACKAGING

Although the economy has been a rollercoaster for the past two years, the plastics industry saw surprisingly steady growth throughout 2021. This growth is forecast to continue in 2022, according to a Plastics Industry Association report, which estimates production of plastic materials and resins will increase 8.2% next year.



Looking beyond the short-term forecast, a recent breakthrough in plastics technology is creating serious buzz. A new chemical catalyst developed at the University of Michigan could enable the production of more advanced propylene, which is used to make the plastic polypropylene.

This new catalyst, which can make propylene from natural gas, is at least ten times more efficient than current commercial catalysts and can last as much as ten times longer before needing regeneration. Although still in the research stage, the catalyst could potentially shore up depleted propylene supplies.

CMG Plastics is on top of economic and technological trends and ready to bring these insights to our customers!



## RIGID PET FOOD PACKAGING PERFECT FOR PET OWNERS

*Many of today's pet owners take pet nutrition as seriously as their children's nutrition. In fact, six in ten U.S. pet owners will pay more for pet food that suits their pet's specific dietary needs, according to a Mintel report.*

Increased demand for healthy pet food requires transparency – not just on the food label, but in the physical packaging itself, which allows consumers to see that the list of ingredients matches what's inside. At the same time, more pet owners are shopping for pet food online, which requires durable packaging that can survive the rigors of shipping. Once pet food arrives, packaging should keep it fresh.

For these and other reasons, a switch to rigid pet food packaging makes sense. Customized recyclable PET jars and containers allow pet owners to see the product, while the rigid plastic is strong enough to withstand bumps and drops. Once opened, jars and containers can easily be resealed to maintain freshness more effectively than traditional pet packaging. They also offer superior barrier properties to prevent odors and keep pet food fresh.

Transparency, durability, and freshness make rigid PET plastic packaging containers a pet food brand's best friend.



## GIVING BACK TO NEIGHBORS IN NEED



We are grateful for the efforts of our team and their families who helped people in our community enjoy Thanksgiving meals. By participating in Clinton Presbyterian Church's Thanksgiving Basket project, we were able to help supply, fill, and deliver over thirty boxes with enough food for a feast for some of our neighbors. As a family-owned business, CMG Plastics is proud to be able to help neighbors who are struggling through hard times, especially at this time of year.

