SUSTAINABLE

Premium Durability

Minimize Waste
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## CAN SHIPMENTS REPORT

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Julie Renner, USS Posco
Michael Dunleavy, Crown Holdings

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Robert Lauterbach, Ball Corporation

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Shawn Peck, PPG Industries
Allison Buchanan, Alcoa

David Gill, Novelis
Carolyn Takata, Silgan Containers Corporation

Spooner Ward, Novelis
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Jim Peterson, Ball Corporation
The Can Manufacturers Institute’s mission is to represent its members’ interests before state and federal legislative and regulatory bodies. Additionally, CMI provides members with market development programs within the parameters of antitrust law. To fulfill these tasks in 2013, CMI strengthened its commitment to the goals listed below.

CMI’s dedication to these goals is evident in all that has been accomplished this year. This Annual Report provides a summary of the past year’s accomplishments, as well as a look at our strategy to fulfill these goals in the coming year.

1. To provide the industry with effective representation in congressional administrative policymaking on those issues with specific impact on or important to the overall success of the can making industry.

2. To promote the industry with trade, local and national media and within state and local governments by publicizing overall can benefits and industry achievements.

3. To collect and disseminate industry statistics to provide an accurate assessment of the industry’s production, and to collect and analyze consumer market information to promote the economic welfare of CMI’s members.

4. To serve, on an as needed basis, as a facilitation resource for the discussion and resolution of joint industry technical, operational or regulatory challenges.
Recently, I had the honor to present Great Aluminum Can Roundup awards to members of our military service academies in the Hall of Heroes at the Pentagon. It was humbling to be in the Hall of Heroes room, which is decorated with the names of recipients of the Medal of Honor, and to meet the fine young cadets who took time from their very busy academics and training to participate in our recycling contest. One cadet from West Point was particularly striking. She is in her last year and had received her postgraduate assignment: to fly Blackhawk helicopters. Besides working on her busy academic and training schedule at West Point, she found the time to organize Company 3C of the 3rd Regiment to recycle 11,400 cans and inspire others at the Academy to collect more than 2,100 pounds of aluminum cans campus-wide. Her sincere concern for the environment and academy recycling efforts were above and beyond the call of duty and should be an inspiration to all of us.

Figuring out the best practices for encouraging others to recycle more food and beverage cans has been a challenge for as long as I have been at CMI. Policy initiatives, such as deposits or other mandates, are fraught with challenges and unintended consequences. The debacle of the California redemption law is a prime example, as the state is now subsidizing its hybrid beverage deposit program at nearly $100 million per year. Other deposit laws have turned out to be cloaked taxes, in which state budgets depend on unredeemed deposits for revenue.

Recent research has shown that consumers rank the can over competing packages with regard to recycling. It is one of the key characteristics which make the can attractive to consumers and our customers. How we actualize this preference for the can into a conscious responsibility will be our challenge for quite some time. The task is made even harder by the fact that finding that incremental increase over an already high recycling rate is a high hurdle, but one that must be tackled as other industries compete for our base materials globally.

Our industry has a strong recycling heritage, one which is imbued in many Americans today. Programs such as the Roundup and the Curbside Value Partnership convey to consumers the environmental benefits of can recycling, and also the value which is vital to the recycler. Being infinitely recyclable is a narrative we must convey constantly and consistently so it makes its way to all corners of our country. If a future Blackhawk helicopter pilot chooses to be an ambassador for can recycling, what are the limits to our call to action? I am inspired by individuals who promote and take advantage of can recycling. I hope each of us is reminded of our own responsibility to build on this legacy.

Best Regards,

Robert Budway, President
Sustainability Promotional Campaign

CMI continues to work on its Sustainability Promotional Campaign. Primarily designed to reach business-to-business audiences, the program’s goal is to raise awareness of the can’s recycling and sustainability benefits. Tactics are centered on paid and earned media. In 2013, two sustainability advertisements were featured in trade magazines and a dynamic can brochure was produced for direct mail sends. The campaign’s microsite reinforces messages featured in the ads and mailings, and is a valuable resource for information about cans as the sustainable and smart solution.

CMI won Gold Awards for the campaign microsite and direct mail piece from Association TRENDS’ 2013 All-Media Contest. In addition, the microsite was selected for the Publisher’s Choice Award.

The Sustainability Promotional Campaign includes an aggressive effort to secure speaking engagements at packaging and sustainability conferences, as well as opportunities to place articles written by CMI staff or third-party experts. CMI spoke to students in the packaging school at Virginia Tech in October 2013. We will visit Clemson University in the spring of 2014 to give a can sustainability lecture. CMI was recently interviewed for articles in the Food and Beverage Packaging’s 2014 January and February issues and Packaging Strategies’ January 2014 issue. CMI’s podcast on Greener Packaging’s website was the third most viewed spot in all of 2013.

In order to extend CMI’s sustainability message to additional audience groups and set the strategic direction for 2014, we conducted an online survey of 400 executives and managers at food and retail companies in order to understand how sustainability factors into purchasing decisions, as well as their perception of cans. According to the survey, 97 percent of retail executives believe that consumers are driving a demand for green packaging and 95 percent believe that their company will be more likely to choose environmentally friendly packaging in the future. The research supports the metal can as the smart and sustainable solution for retailers looking to meet consumer demand for environmentally friendly packaging.

Cans: Infinitely Recyclable™ Trademark Extension

CMI and the membership continue to spread the sustainability story with our Cans: Infinitely Recyclable™ logo. We continue to seek registration of the mark in Canada and hope that the CMI membership will encourage the use of the logo on can bodies in North America in order to successfully complete the application.

CannedWater4Kids

CMI is on the board of CannedWater4Kids, the nonprofit charity organization that brings clean, safe water to children worldwide by raising money to build and maintain infrastructure for safe and clean drinking water and delivering water in aluminum beverage cans when those facilities are damaged or unavailable. CMI recognizes the value and necessity of working with CannedWater4Kids to help children in all parts of the world while promoting the premier environmental profile of canned products. CannedWater4Kids was recently approached by the National Park System about supplying water to Denali Park in Alaska. CannedWater4Kids exhibited at the Building a Healthier America Summit, a conference at which Michelle Obama was the keynote speaker.

Curbside Value Partnership (CVP)

CVP is currently active in 30 cities or communities and four statewide programs. Additionally, CVPCConnect, a free online tool that provides free educational materials in exchange for participation data, has reached three million households so far.
CVP’s Executive Director Steve Thompson, who has led CVP since its inception in 2003, will retire in 2014. The CVP Board is excited to announce the hire of Keefe Harrison as his successor. Keefe comes to CVP with fifteen years in the recycling industry, most recently as a senior consultant for Resource Recycling Systems.

AMERIPEN

AMERIPEN, the American Institute for Packaging and the Environment, formed in 2011 to become the recognized North American industry and trade organization to influence environmental and other emerging packaging issues. CMI is part of AMERIPEN’s Technical Advisory Group (TAG), which is made up of association and other non-paying members. CMI participates in three subgroups: Communicating the Value of Packaging; Increased Recovery of Packaging and Financial Platforms to Improve End of Life Recovery

The Value of Packaging group will break into sub-teams to investigate the role of packaging in important topics like: food waste; food safety; e-Commerce and beverage quality. CMI submitted data and information to the food waste group about the can’s optimized vault system that keeps products fresh, nutritious and delicious until consumption, helping to significantly offset unnecessary food waste. The Recovery Group put together a matrix of material-sector data, and conducted research on the recycling practices, behaviors, successes and failures of the largest 100 cities in the United States. The group will work with states and communities to build on best practices and increase overall recovery. CVP is listed as an educational resource option. The Financial Platforms Group completed a white paper to identify strategies and financing mechanisms used across the globe to recover packaging waste and address the financial challenges associated with collection, sorting, and transportation. The group identified three strategies that appear to have the greatest impact on increasing recovery rates and sustaining financing for collection and recovery: pay as you throw (PAYT); disposal bans and recycling mandates.

Canstruction

Canstruction is a national nonprofit that hosts annual competitions to design and build structures out of canned goods and donate those goods to local food banks. CMI has secured a national sponsorship opportunity and agreement with Canstruction, and Canstruction has incorporated can nutrition and sustainability messaging into its media kit and competition signage. CMI will promote Canstruction and its philanthropic canned food story through its social media and other communications channels.

Global Can Forum

The third annual Global Can Maker Sustainability Forum was held in November 2013. Can maker and supplier representatives from the U.S., Brazil, Europe and India were in attendance. The group continues to expand the global database and communications network, as well as harmonize lifecycle data, messaging, legislative/ regulatory positions and recycling best practices.

State Labeling Guidelines

The growth and diversification of new beverage product categories have made it more difficult to comply with state bottle bill labeling requirements, which are often murky and vary widely by state. CMI has retained Art Decelle, former general counsel to the Beer Institute, to create and update a database of accurate state labeling guidelines for the membership. Please contact CMI staff for a current copy.
The CMI Science, Technology and Regulatory Affairs (STARs) Committee is actively engaged and working to moderate potential burdensome regulatory impacts on the industry, particularly regarding environmental, health and safety, chemical, food safety and packaging issues. The STARs Committee seeks to protect, promote and serve the industry; and forecast and resolve science and technical issues of common concern to can makers and suppliers. Key committee issues for 2013-2014 include:

**EPA AIR POLLUTION STANDARDS**

CMI is working with the Environmental Protection Agency on the next round of federal air pollution control standards: the National Emission Standards for Hazardous Air Pollutants and Maximum Achievable Control Technology rules for the surface coating of metal can operations. The Clean Air Act standards are required for can manufacturing facilities and other “major” industry sources of hazardous air pollutants. Known as “Residual Risk,” the standards are the second step in the process. The EPA program to evaluate remaining health and environmental risks from hazardous/toxic air pollutant emissions could result in additional standards to protect public health and the environment. Under the Act, the agency must review emissions for eight years. CMI is engaged with EPA’s regulatory stakeholder process and filed several rounds of comments in 2013.

**FDA FUNDING**

CMI and the Food Packaging Coalition continue to lobby Congress to adequately fund the federal budget for the Food and Drug Administration (FDA) Food Contact Notification (FCN) Program and avoid new user fees. The FCN Program is important for the industry and FDA, though its continuation is not guaranteed from year to year, and is dependent upon sufficient funding. In six of the last eight years, the President’s budget has proposed user fees or elimination of the FCN Program. Coordination of a grassroots campaign with visits to key congressional offices are intended to ensure that Congress expresses its intention to continue normal operation of the FCN Program throughout fiscal year 2015.

**SEC CONFLICT MINERALS RULE**

A relatively brief provision contained in the Dodd-Frank Wall Street Reform and Consumer Protection Act and ensuing regulations related to the use of so-called “conflict minerals” in consumer products requires publicly-traded companies to make disclosures to the Securities and Exchange Commission (SEC) on or before May 31, 2014. Specifically, if the conflict minerals tin, tantalum, tungsten or gold (3TG) are present in manufactured products and are determined to be necessary to the production or functionality of the products, then publicly-traded companies that file annual reports are required to make disclosures regarding the source of the 3TG. CMI is working with can manufacturers and their suppliers to comply with the upcoming SEC conflict minerals disclosure obligations.
INGREDIENTS, ADDITIVES AND LABELING

All food additives and ingredients are carefully regulated by federal authorities and various international organizations to ensure that foods are safe to eat. Recently, however, consumer groups are questioning potential health risks with food ingredients and calling for more research, greater transparency and the labeling of packaging. The erroneous warning label requirements in various proposals would convey a threat to human health that is unsupported by appropriate scientific evidence and is not supported by the conclusions drawn by FDA and other federal and public health bodies. The industry argues that unwarranted labels on food packaging could disrupt the manufacture of metal cans and significantly reduce the availability of food and beverage products in states, and hinder consumer ability to find nutritious, valuable and shelf-stable foods and beverages.

GREEN CHEMISTRY, CHEMICAL REFORM

The concept of “Green Chemistry” was created about five years ago in response to the perceived failure of federal regulations to protect against chemical exposures from consumer products. Green chemistry initiatives call for the design of products and processes that reduce or eliminate the use or generation of hazardous substances. Unfortunately, the concept has become a conflicting patchwork of state laws governing product safety resulting in the chemical de-selection. CMI continues to work with industry coalitions to oppose the inclusion of green chemistry in food or packaging within existing and proposed legislation.

Of particular concern is the California Safer Consumer Products regulation, adopted in late 2013, in which food packaging remains within the scope of the burdensome regulation. While food packaging is not among the initial priority products, it is still within the scope of the rules and could be prioritized in some future action. Being named a priority product, category or chemical would result in extra reporting and alternative assessments for products containing these chemicals, which could lead to de-selection. Legal options are being reviewed by the industry’s Food Packaging Coalition.

CMI believes chemical regulation should be handled on the federal level, not by states, which create a patchwork of contrary chemical laws. The states should encourage Congress, EPA and FDA to reform the Toxic Substances Control Act, which would be transparent, science-based and preempts state green chemistry laws.

CMI NOISE CONTROL REPORT

In January 2014, CMI finalized and distributed to members an updated Noise Control Feasibility Re-Evaluation Report to assist in determining engineering and administrative noise controls. The evaluation investigates what technological or equipment advances exist within the industry that would significantly reduce employee noise exposures, and to determine the most feasible engineering or administrative method of controlling employee noise exposure. As described in the reports, the Occupational Safety and Health Administration’s current enforcement policy on noise allows employers to rely on personal hearing protection, rather than administrative or engineering noise controls, if the protection effectively reduces employee noise exposure to permissible limits and controls do not substantially reduce noise exposure. Hearing protection remains the can manufacturing industry’s best line of defense in reducing employee noise exposure.
CMI’s fully-integrated food can campaign is uniquely designed to increase usage over time. As a way to multiply the campaign’s investment, CMI works with retailers and canned food companies to engage in utilizing campaign assets, while seeking ways to include retail activation programs. Initial results of retail events show that these integrations increase incremental canned food sales.

The first retail integration, which was executed through Bi-Lo Holdings, the ninth largest supermarket with 689 stores in the southeast, translated into a 40 percent increase in sales during the first week across the four private label vegetable products. The four week event saw an increase in sales of roughly 500,000 incremental units for private label vegetables, beans and tomatoes (-3.7% before the event to +7.5% during the event).

Several levels of integration continue between canned food companies, retailer and campaign assets. Retail activations with various retailers, such as Raleys, Hannaford and Spartan -- are occurring in 2014. Nearly all canned food companies, private label and brands, are participating in the campaign through in-store retail integrations, and social and traditional media platforms.

Continued dialogue with supermarket registered dieticians (RDs) has also enabled the program to identify more ways to incorporate Cans Get You Cooking into these influencers programming and provided the additional promotional opportunities at the retailer level.

In February, the campaign partnered with Scripps Network and Kelsey Nixon, winner of The Next Food Network Star ‘fan favorite’ award, to produce a 30 minute TV special, “Cans Make the Meal with Kelsey Nixon.” The special aired 11 times throughout the month on the Cooking Channel, and the video and recipe content is available to view online at CookingChannelTV.com/cookwithcans, as well as the campaign’s new online content hub. The entire partnership is expected to more than 124 million impressions.

Since the public relations campaign launch in February 2013, the campaign has generated more than 29,970 traditional and social media placements as well as more than 407 million impressions. To date, the social media program has reached more than 71,000 Facebook fans, more than 2,500 Pinterest followers, and 11,500 YouTube watchers. Starting this year, the campaign launched a Twitter page, which has garnered more than 3,000 followers.

Two new pieces of research, an RD survey and an analysis of NPD data, found canned foods are associated with healthier eating habits. The results provided additional proof points and valuable messages for the campaign to utilize.

The campaign’s success will be measured by the can volume impact using syndicated retail scan data and consumer eating occasions with canned food. Also, a consumer attitude study will evaluate shifts in perceptions based on research conducted prior to the campaign launch. Finally, the value associated with brand and retail partnerships engaging in the campaign’s assets, which multiplies the campaign spend, will be included.

Social Media links:

Facebook: https://www.facebook.com/CansGetYouCooking
Twitter: https://twitter.com/CansGetUCooking
YouTube: http://www.youtube.com/user/CansGetYouCooking
Pinterest: http://www.pinterest.com/CansGetUCooking/
Cans Get You Cooking™

Locking In FLAVOR & NUTRITION

At the Peak of Ripeness

FOOD THAT IS CANNED IS FOOD THAT ISN'T WASTED

MILLION 34 MILLION TONS

HELPING TO OFFSET THE 34 MILLION TONS OF FOOD WASTED IN THE UNITED STATES
CMI continues to advocate the importance of including canned foods in conversations with various stakeholders. In an effort to increase the recognition of the role of canned foods, CMI created new support materials, which are available on CMI’s website. Additionally, the American Journal of Lifestyle Medicine published the Michigan State University study, which included a publicity campaign that amplified the coverage of the study to foster greater awareness among health professionals and key opinion leaders.

A length of time audit is currently underway to compare the amount of time it takes for foods to go from field to sealed, be it canned, fresh or frozen. The audit expects to redefine what “fresh” means by illustrating the canning process and how it is a more efficient and sustainable way to source produce from the field to the family meal. Additionally, the audit intends to debunk existing myths about canned produce by highlighting the nutritional value and quality based on the short time it takes foods picked at the peak of ripeness to be sealed in a can.

To further promote canned foods to key opinion leaders and health professionals, CMI:

- Attended the Food Research and Action Center (FRAC’s) Anti-Hunger Policy Conference. FRAC is the leading national nonprofit organization working to improve public policies and public-private partnerships to eradicate hunger in the United States.

- Exhibited at the Partnership for a Healthier America Summit, which is one of the premiere gatherings of leaders working to end childhood obesity.

- Attended and exhibited at the Consumer Federation of America National Food Policy Conference, which explores relevant issues with policymakers, advocates and scientists.

As a partner in the U.S. Department of Agriculture’s MyPlate campaign, CMI created MyCantry, which shows consumers how canned foods fit into the U.S. dietary guideline recommendations. As an additional asset for brands participating in the Cans Get You Cooking campaign, the graphic included product images from many brand partners including: Del Monte, Red Gold, Libby’s, Allens, Hormel, S&W (Glory) and Nestle. The MyCantry infographic resides on cancentral.com and has also been distributed to retailers and brand partners for integrations of the campaign, as well as registered dieticians looking to educate consumers.
The 2014 Farm Bill was signed into law at the beginning of this year after lengthy and unusually arduous negotiations. This new Farm Bill authorizes programs for the next five years and costs $956 billion. CMI lobbied for many provisions within the Farm Bill, ensuring there was language beneficial to the industry and our customers.

**MOBILE CANNING**

CMI worked with Senate Agriculture Chairwoman Debbie Stabenow (D-Mich.) to ensure language was included to fund a mobile food canning project through USDA’s grant process. CMI worked with Professor Joe Hotchkiss, director of Michigan State University’s (MSU) School of Packaging, to flesh out the design concept and manufacturing requirements with Stabenow’s staff. CMI will assist MSU in applying for the USDA grant as well as contacting potential food stock partners. CMI and Hotchkiss envision these mobile food can trucks will service local food markets, canning any produce that would otherwise be discarded if not sold. This mobile food canning project will provide a platform to communicate to consumers the many attributes of canned foods.

**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)**

Through its own efforts as well as participating in various industry coalitions, CMI was able to ensure canned foods and many beverages remain eligible in the SNAP program. While consumers still have the choice to purchase numerous food items using their SNAP funds, many states can and will try to restrict the types of food that can be purchased, with soft drinks a target for many special interest groups.

One of the largest cuts in the new Farm Bill versus previous years is to overall SNAP spending, with program dollars being reduced by $8 billion over the next decade. This is far less than the almost $40 billion in cuts first proposed by House Republicans, but much more than envisioned by many Democrats. The reduction is estimated to affect 1.7 million people who will see their benefits reduced by $90 a month. This could possibly lead to SNAP participants purchasing more canned food as they try to stretch their benefits farther each month.

**SCHOOL LUNCH SNACK PROGRAM**

Under the previous Farm Bill, schools that participated in the federally subsidized Fresh Fruit & Vegetable program (SNACK) were only allowed to purchase and serve fresh fruits and vegetables to students. Working with coalition partners and against the strong lobbying of the fresh fruit and vegetable industry, the new Farm Bill allows for a pilot program in schools participating in the SNACK program in not less than five states to allow the purchase of canned foods. The types of canned food that are eligible, which will be determined by the USDA, must be in accordance with the most recent Dietary Guidelines. Funding for the pilot program is $5 million and only schools eligible for the pilot program are allowed to offer all forms. USDA is directed to submit an interim report on the pilot program no later than January 1, 2015.

This development is a major legislative achievement as the fresh fruit and vegetable industry had many Farm Bill champions, most notably Sen. Tom Harkin (D-Iowa).

**FARM FLEX**

The Farm Flex program, first authorized by the 2008 Farm Bill on a pilot basis for certain specialty crop growers in a couple of Midwest states, will now be open to all farmers. The program allows farmers who produce federally subsidized crops to grow all forms, thus giving them the flexibility they need to meet increased demand. Many canned food companies support Farm Flex as it conceivably will bring down crop prices, which could bode well for can manufacturers as there will be more food available for canning.
On February 28, 2014, USDA issued its final rule changes to the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) program. The changes – which increase access to fruits and vegetables, whole grains and low-fat dairy – are based on the latest nutrition science. The release of the final rule marks the completion of the first comprehensive revisions to the WIC food packages since 1980.

The new rule includes a more than 30 percent increase in the dollar amount for children’s fruits and vegetables purchases, and allows canned fruits, vegetables, beans and fish to be included in the WIC packages, with some limitations. There can be no added sugar in canned vegetables and beans, except what is needed for processing. Canned fruits must be juice or water packed with no added sugar, sodium or fats. White potatoes are not eligible in WIC.

The USDA Food and Nutrition Service recommend that states limit canned vegetables to lower sodium options when available. It is still up to the discretion of each state to determine what foods are allowed in its WIC package.

CMI will continue present reasons why canned foods should be included to those states that do not allow canned food in their WIC packages.
The Great American Can Roundup (GACR) program is designed to build enthusiasm about can recycling among a wide range of civic and community groups including schools, churches, clubs, sports teams, hospitals, businesses, camps and others.

In 2014, the GACR Industry Challenge celebrates its eleventh anniversary. Since its inception, the program has recycled 7.9 million pounds of aluminum cans and raised more than $4.6 million for local charities. The 2013 Industry Challenge resulted in the recycling of more than 5.7 million beverage cans. Sixty-eight plants, corporate offices and R&D centers participated.

The third annual GACR School Challenge resulted in the collection of 7.1 million cans and more than $100,000 raised for school activities and local charities. CMI awarded $1,000 to the top per capital recycling school in each state, with an additional $5,000 to the overall winner. Valley Elementary School in Cody, Wyoming took home the grand prize, recycling 89,260 beverage cans per student at the school. The 2013/2014 challenge has more than 1,000 schools and 500,000 students competing. The challenge runs through Earth Day 2014.

In 2013, the GACR Scout Council Challenge included 139 Boy and Girl Scout Troops, collectively recycling more than 1.2 million beverage cans. The Girl Scouts of Kansas Heartland Council collected a record 8,772 pounds of aluminum cans. In two years, Scouts have recycled 61,386 pounds of aluminum. Winners of the 2014 Scout Council Challenge will be announced on June 5.

The new Commander-in-Chief Recycle Challenge resulted in a win by the U.S. Coast Guard Academy for recycling .722 pounds per cadet. Cadets, high-ranking military officers and the Undersecretary of Defense recognized the academies’ recycling performance at the Pentagon on Earth Day 2014.

CMI exhibited and conducted workshops at: the Colorado Association of Recyclers Summit; the Maryland Association for Environmental & Outdoor Education Green Schools Youth Summit, as well as Earth Day and Arbor Day events.
Congratulations to our 2013 WINNERS

ALUMINUM SUPPLIER/CAN MANUFACTURER CATEGORY

1. Rexam North America Beverage Can Headquarters
   Chicago, IL

2. Ball Corporation
   Findlay, OH

3. Rexam
   Whitehouse, OH
In 2013, the CMI Market Data Committee continued to collect aggregated can shipments data and distribute it to members, the media and the financial community.

The Committee continues to analyze metal can shipments data in order to determine whether CMI will again breakout the individual product categories that were combined in 2006 due to changes in CMI’s disclosure rules.

As always, the Committee will continue to provide CMI members with information to assist with business goals.
About This Report
The Metal Can Shipments Report is compiled directly from reports received from can manufacturers unless otherwise noted. This statistical program is sponsored by the Can Manufacturers Institute and is under the direction of the CMI Market Data Committee.

Acknowledgments
The Can Manufacturers Institute gratefully acknowledges the cooperation of all industry participants, especially the assistance of the members of the CMI Market Data Committee for their efforts in the compilation of this annual report.

Participants*
• Ardagh Metal Packaging USA
• Ball Corporation
• BWAY Corporation
• Crown Holdings, Inc.
• DS Containers, Inc.
• Metal Container Corporation
• Rexam
• Silgan Containers Corporation
• Van Can Company

*Participants in the CMI Metal Can Shipments Report manufacture over 98% of the metal cans in the United States. In order to represent the entire domestic can industry, CMI estimates can shipments for non-reporters in its reports.
Definitions

General Definitions

A metal can is a single walled container constructed wholly of tinplate, blackplate (including tin free steel), waste plate, aluminum sheet or impact extrusions, designed for packaging products. It excludes steel pails defined as single walled shipping containers having capacities of one to 12 gallons inclusive, that are cylindrically constructed of steel of 29 gauge and heavier.

Shipments for use by the same company, an affiliate, subsidiary, or parent company are considered as shipments FOR OWN USE. All others are considered shipments INVOICED FOR SALE.

Coverage of this report is confined to metal cans and ends shipped for use on metal cans by metal can manufacturers.

Product Definitions

Shipments: The actual number of unfilled can bodies produced, invoiced for sale and shipped from a location within the U.S. or U.S. controlled territory. Starting in 2012, shipments of beverage cans includes unfilled can bodies produced, invoiced for sale and shipped from a location within the U.S. or U.S. controlled territory as well as Canada.

Exports: The actual number of unfilled can bodies produced, invoiced for sale and shipped from a location outside of the U.S. or U.S. controlled territory.

Alcoholic Beverages: A two piece aluminum container containing beer, non-alcoholic beer, wine/spirits, or wine/spirit coolers.

Non-Alcoholic Beverages: A two piece aluminum beverage container. Includes all carbonated and non-carbonated soft drinks, iced tea, tonic, waters, juice beverages, milk or dairy-based beverages, and isotonic/energy drinks.

Fruit: Includes all conventional fruit items: apples, apple sauce, peaches, pears, pineapple, etc. and all citrus items. Does not include fruit juices, which are in the Fruit/Vegetable Juices category.

Pet Food: Includes cat, dog and fish food.

Vegetables: Includes conventional vegetable items: peas, green beans, corn, tomatoes, etc. Also includes dry line items: baked beans, kidney beans. Includes mushrooms and pickles. Does not include soup which is in Soups & Miscellaneous Foods. Does not include vegetable juices, which are in the Fruit/Vegetable Juices category.

Soups & Miscellaneous Foods: Includes all food items not otherwise enumerated. Includes soups, edible oils and solid shortenings, spaghetti, spices, baking powder, extracts, yeast, sandwich spreads, jams, mayonnaise, snacks, cocoa, dough, flour, honey, nuts, popcorn; popped corn, potato chips, pretzels, rice, noodles, sauces, syrups, cake, candies, cereals, loose tea and canned bags. Also includes drugs intended for human consumption except milk based drugs which are in Other Foods. Does not include iced tea which is in Non-Alcoholic Beverages.

Other Foods: Includes Baby Food, Dairy, Fruit/Vegetable Juices, Seafood, and Meat & Poultry, including all milk or soy based baby formula and baby food products. Also includes dairy products, such as butter, cheese, eggs, milk, milk-based products, ice cream, etc. Also includes non milk-based puddings. Does not include milk or dairy-based beverages in two-piece aluminum beverage containers. Includes Seafood: fish and shellfish. Includes all conventional meat and poultry items: ham, luncheon meat, potted meat, vienna sausage. Also includes chili and meat stews. Does not include soup and spaghetti with meat which are in Soups & Miscellaneous Foods. Does not include fruit and vegetable juices in two piece aluminum beverage containers.

Aerosol: This is the only category restricted by can type. Includes food and nonfoods.

Other Nonfoods: Includes all other nonfood items not otherwise enumerated. Includes adhesive strips, alcohol, tennis balls, cements/dressings, chemicals, cleaners, cosmetics, dentists’ supplies, disinfectants, dyes, ether, wood fillers, games/toys, germicides, gasoline, lubricating grease, grinding compounds, insecticides, pencils, photographic supplies, plaster of paris, floor/shoe/leather/other non automotive polishes, body/cleanser/talcum powders, roofing cement, grass seed, shaving preparations, soaps, solvents, stamp pads, tobacco and automotive products such as motor oil, anti freeze, brake fluid, gasoline, radiator additives and automotive polish.
# Metal Can Shipments 2011-2013

(Millions of Cans)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>% Change 2012 - 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Metal Cans Shipped</td>
<td>123,962</td>
<td>123,681</td>
<td>126,269</td>
<td>-1.6%</td>
</tr>
<tr>
<td><strong>BY MARKET</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For Sale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beverage</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td>25,462</td>
<td>25,439</td>
<td>25,919</td>
<td>1.9%</td>
</tr>
<tr>
<td>General Packaging</td>
<td>4,657</td>
<td>4,653</td>
<td>4,667</td>
<td>0.3%</td>
</tr>
<tr>
<td>For Own Use</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beverage</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td>1,350</td>
<td>1,350</td>
<td>1,711</td>
<td>26.7%</td>
</tr>
<tr>
<td>General Packaging</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>--</td>
</tr>
<tr>
<td><strong>BY PRODUCT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beverage</td>
<td>92,493</td>
<td>92,239</td>
<td>93,972</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Alcoholic</td>
<td>33,048</td>
<td>33,816</td>
<td>35,167</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Non-Alcoholic</td>
<td>59,445</td>
<td>58,423</td>
<td>58,805</td>
<td>-4.0%</td>
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<tr>
<td>Food</td>
<td>26,812</td>
<td>26,789</td>
<td>27,630</td>
<td>3.1%</td>
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<tr>
<td>Coffee</td>
<td>76</td>
<td>78</td>
<td>46</td>
<td>-41.0%</td>
</tr>
<tr>
<td>Fruit (Excluding Juices)</td>
<td>1,101</td>
<td>1,054</td>
<td>991</td>
<td>-6.0%</td>
</tr>
<tr>
<td>Vegetables (Excluding Juices)</td>
<td>9,052</td>
<td>9,049</td>
<td>9,903</td>
<td>9.4%</td>
</tr>
<tr>
<td>Soups &amp; Miscellaneous Foods</td>
<td>5,189</td>
<td>5,078</td>
<td>4,839</td>
<td>-4.7%</td>
</tr>
<tr>
<td>Pet Food</td>
<td>6,485</td>
<td>6,721</td>
<td>6,972</td>
<td>3.7%</td>
</tr>
<tr>
<td>All Other Foods**</td>
<td>4,909</td>
<td>4,809</td>
<td>4,879</td>
<td>1.5%</td>
</tr>
<tr>
<td><strong>Food By Process</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two-Piece</td>
<td>16,937</td>
<td>17,420</td>
<td>17,686</td>
<td>1.5%</td>
</tr>
<tr>
<td>Three-Piece</td>
<td>9,875</td>
<td>9,369</td>
<td>9,944</td>
<td>6.1%</td>
</tr>
<tr>
<td><strong>General Packaging</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Aerosol</td>
<td>4,657</td>
<td>4,653</td>
<td>4,667</td>
<td>0.3%</td>
</tr>
<tr>
<td>Other Nonfoods</td>
<td>3,814</td>
<td>3,819</td>
<td>3,793</td>
<td>-0.7%</td>
</tr>
</tbody>
</table>

*To avoid disclosure of individual company data, this category has been omitted.

**Beginning in 2012 beverage can data includes US & Canadian shipments.

**Includes Baby Food, Dairy, Fruit/Vegetable Juices, Seafood, and Meat & Poultry cans.
FOOD CAN SHIPMENTS 2008-2013
(Millions of Cans)

COFFEE

2008 2013
257 46

2009 2010
249 94

2011 2012
76 78

2013
46

FRUIT (EXCLUDING JUICES)*

2008 2013
1,188 991

2009 2010
1,227 1,138

2011 2012
1,101 1,054

2013
91

SOUPS & MISCELLANEOUS FOODS

2008 2013
5,406 4,839

2009 2010
5,365 5,278

2011 2012
5,189 5,078

2013
4,879

VEGETABLES (EXCLUDING JUICES)*

2008 2013
9,834 6,721

2009 2010
9,881 6,588

2011 2012
9,052 6,798

2013
6,972

ALL OTHER FOODS*

2008 2013
3,955 4,879

2009 2010
5,011 5,109

2011 2012
4,909 4,899

2013
4,872

PET FOOD

2008 2013
6,914 6,972

2009 2010
6,588 6,379

2011 2012
6,485 6,721

2013
6,721

GENERAL LINE CAN SHIPMENTS: 2008-2013
(Millions of Cans)

BEVERAGE CAN SHIPMENTS BY SIZE: 2008-2013
(Millions of Cans)

* Includes US & Canadian shipments
## CAN SHIPMENTS IMPORTS & EXPORTS

(Millions of Cans)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>% Change 2012 - 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALUMINUM CAN SHIPMENTS, EXPORTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 Ounce or Less</td>
<td>2,426.0</td>
<td>2,345.9</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Over 12 Ounce &amp; Less Than 1 Gallon</td>
<td>47.6</td>
<td>154.7</td>
<td>225.1%</td>
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<tr>
<td>Over 1 Gallon</td>
<td>142.9</td>
<td>155.3</td>
<td>-8.7%</td>
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<tr>
<td><strong>ALUMINUM CAN SHIPMENTS, IMPORTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 Ounce or Less</td>
<td>693.3</td>
<td>518.9</td>
<td>25.2%</td>
</tr>
<tr>
<td>Over 12 Ounce &amp; Less Than 1 Gallon</td>
<td>137.6</td>
<td>104.7</td>
<td>-23.8%</td>
</tr>
<tr>
<td>Over 1 Gallon</td>
<td>134.1</td>
<td>145.5</td>
<td>8.5%</td>
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<tr>
<td><strong>STEEL CAN SHIPMENTS, EXPORTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.21 Gallons or Less (closed by crimping or soldering)</td>
<td>33.9</td>
<td>24.9</td>
<td>-26.8%</td>
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<tr>
<td><strong>STEEL CAN SHIPMENTS, IMPORTS</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>13.21 Gallons or Less (closed by crimping or soldering)</td>
<td>214.8</td>
<td>208.5</td>
<td>-2.9%</td>
</tr>
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</table>

Source: U.S. International Trade Commission
## CMI EXECUTIVE COMMITTEE

<table>
<thead>
<tr>
<th>AkzoNobel Packaging Coatings</th>
<th>Can Manufacturers Institute</th>
<th>Rexam</th>
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<tbody>
<tr>
<td>Chris Bradford</td>
<td>Robert Budway</td>
<td>Graham Chipchase</td>
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<tr>
<td></td>
<td></td>
<td>Richard Grimley</td>
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<tr>
<td>Alcoa, Inc.</td>
<td>CROWN Holdings, Inc.</td>
<td>Silgan Containers Corporation</td>
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<tr>
<td>Rick Siegel</td>
<td>Tim Donohue</td>
<td>Tom Snyder</td>
</tr>
<tr>
<td></td>
<td>Ray McGowan Jr.</td>
<td>Dave Bevan</td>
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<td>Anheuser-Busch Packaging Group</td>
<td>INX International Ink Company</td>
<td>Tri-Arrows Aluminum</td>
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<td>Metal Container Corporation</td>
<td>Rick Ciendenning</td>
<td>Pat Franc</td>
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<tr>
<td>Tony Bhalla</td>
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<td>Rufus Sisson</td>
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<td>Novelis, Inc.</td>
<td>The Valspar Corporation</td>
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<td>David Gill</td>
<td>Bernard Ouimette</td>
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<td>PPG Industries, Inc.</td>
<td>Wise Alloys LLC</td>
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<tr>
<td>John Hayes</td>
<td>Doug Pegg</td>
<td>Wes Oberholzer</td>
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<td>Michael Feldser</td>
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<table>
<thead>
<tr>
<th>CMI Member Companies</th>
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<td>Ardagh Group - Metal Americas</td>
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<tr>
<td>GRACE DAVISON Materials &amp; Packaging Technologies</td>
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<tr>
<td>Golden Aluminum</td>
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<tr>
<td>Henkel Corporation</td>
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<tr>
<td>INX International Ink Company</td>
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<td>Rexam</td>
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<td>Roeslein &amp; Associates</td>
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<td>Signode Packaging Systems</td>
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<tr>
<td>Silgan Containers Corporation</td>
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<tr>
<td>Sonoco-Phoenix, Inc.</td>
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<tr>
<td>Stolle Machinery</td>
</tr>
<tr>
<td>Tri-Arrows Aluminum</td>
</tr>
<tr>
<td>United States Steel Corporation, Tin Mill Products</td>
</tr>
<tr>
<td>The Valspar Corporation</td>
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<tr>
<td>Van Can Company</td>
</tr>
<tr>
<td>Watson Standard</td>
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<tr>
<td>Wise Alloys LLC</td>
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</table>

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