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Food Processing and
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drinktec 2022

North America: Rising beverage consumption drives investments

The market potential for the supplier industry in the North American market remains positive. This was the assessment of the mechanical engineering association VDMA at the online press conference for drinktec 2022 on May 10, 2022.

The VDMA represents the largest group of exhibitors at drinktec and supports the organizer Messe München as a conceptual partner in issues relevant to the market.

Frankfurt am Main, May 10, 2022 - According to the VDMA Food Processing and Packaging Machinery Association, the global sales volume of soft drinks will increase by 19 percent to 848 billion liters by 2026. The machinery association refers to data from the British market research institute Euromonitor International. In the case of alcoholic beverages, too, the VDMA further reports, the market researchers at Euromonitor International expect global volume sales to grow by 10 percent to just under 270 billion liters in 2025*.

North America is the third largest market region for soft drinks after Asia and the Africa/Middle East region. In 2021, sales stood at 129 billion liters. By 2026, sales will increase by 7 percent to 138 billion liters. Bottled water accounts for almost 37 percent of beverage sales. The increase by 2026 is 15 percent. Sales of carbonated beverages, the second-largest product group, which also had a 37 percent share in 2021, will stagnate over the next four years, according to Euromonitor International. Sales of fruit juice will decline slightly.

Soft drinks consumption is strongly influenced by health and nutrition trends. Natural drinks, low-calorie and sugar-free, or those with added functional benefits are continuing to gain ground. This is also reflected in the double-digit growth rates for sports and energy drinks and for tea-based beverages.

For alcoholic beverages, sales in North America were 34 billion liters in 2021 and are expected to grow 9 percent by 2025. Beer accounts for about 70 percent of alcohol consumption. The highest growth rate is expected for the ready-to-drink premixes category.

The overall further increase in consumption of soft drinks and alcoholic beverages, as well as qualitative growth through new creations, will entail further investment in machinery and equipment, according to VDMA estimates. Energy-efficient and resource-saving production and packaging solutions are likely to become increasingly important.

In the 2019 to 2021 period, food processing and packaging machinery and equipment worth more than \$4.5 billion was shipped from Germany alone to North America. Around 90 percent of German deliveries went to the USA - by far the most important single market for German mechanical engineering.

Total imports of food processing and packaging machinery and equipment in recent years have been between \$6.5 billion and \$7.5 billion per year. Germany and Italy are the most important supplier countries for the USA market. The Canadian market is primarily supplied by the USA, followed by Germany and Italy.

* Data for sales of alcoholic beverages are currently only available up to and including 2025.

Do you have any questions? Beatrix Fraese, will be happy to answer them:
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The VDMA represents more than 3,400 German and European companies of the mechanical engineering industry. The industry stands for innovation, export orientation and medium-sized businesses. The companies employ around four million people in Europe, more than one million of them in Germany. Mechanical and plant engineering represents a European turnover volume of around 800 billion euros. With a net value added of around 270 billion euros, it contributes the highest share of the entire manufacturing sector to the European gross domestic product.