

[« Back](#) [Print](#)

Package Supply Corporation Industry News

Package Supply Corporation UPDATE Ethylene Shortage

New England Oct 22, 2005 Poly is in extremely short supply. This is primarily due to interruptions in the ethylene market from an explosion at the Formosa plant in Houston has exacerbated a worldwide shortage that has already existed in Ethylene.



Package Supply Corporation
Roger Komins
President
For more information contact:
jangbaillargeon@aol.com
phone: 800 366-8066

Yesterday, we had two 44 skid truckloads of poly canceled on us, by a "force majeure" clause, that means that we, and every distributor, are faced with increases with no advance notice. This protection order, would have allowed us to buy significantly better than the current market.

The total increase could bring us to completely unprecedented levels. Poly could rise (at our cost as much as \$10 per roll after all the increases take effect).

In addition, we are on allocation. I just placed a new poly order and was telephoned last night by the rep, to tell me that the quantities I ordered will not be honored since it exceeds my allocation (at present equal to last years volume). Our strong position with suppliers, does give us an advantage in that we are able to get as much product as we need, but not at below market pricing.

There is also speculation that the market escalation could stop and then reverse and turn to much lower levels. Speaking practically, this is not likely to happen until February or later. I am hopeful that we will see a return to far better pricing. On a per bag basis, the immediate effect of the increase will be in the neighborhood of 1 cent to 1.5 cents per bag to you.

Your salesman can answer any questions you have on this matter, and I am happy discuss the situation with you directly.

Website: <http://www.packagesupply.net>

[Forward email](#)

 **SafeUnsubscribe™**

This email was sent to jangbaillargeon@aol.com, by jangbaillargeon@aol.com
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Powered by



Package Supply Corporation | 355 Bodwell Street | Avon | MA | 02322