

European Food Packaging

Segment Analysis by Food Category

Market Size, Growth, Switching Costs, Margins, and
Investment Attractiveness by Segment

Prepared by Rospex Holdings LLC

May 2026

Executive Summary Edition



Full research report and complete citations available upon request from Rospex Holdings LLC.

© 2026 Rospex Holdings LLC. All rights reserved.

This research report is the exclusive intellectual property of Rospex Holdings LLC.

Reproduction or distribution without written permission is prohibited.

WHY SEGMENTS MATTER MORE THAN MARKET SIZE

European food packaging is not one market. It is ten distinct segment pools with different economics, regulatory exposure, switching cost structures, and investment logic. A ready-meal tray converter earning 15 to 20 percent EBITDA margins behind 12-month retail qualification cycles is a fundamentally different business from a bakery flow-wrap converter at 8 to 13 percent margins with quarterly re-bids.

Understanding these differences is the starting point for any investment, acquisition, or competitive analysis in this space. The table below maps all ten segments across the six metrics that determine investability.

Segment	EU Market Size (est.)	CAGR	EBITDA Margin	Switching Cost	PPWR Risk	Investment
Convenience / Food-to-Go	EUR 8 to 22B (scope-dependent)	5 to 6.2%	8 to 15%	Low to moderate	High: HORECA ban 2030	Moderate to high
Ready Meals	EUR 4-7B (packaging value)	5.6 to 6.2%	15 to 20%	Very high	Active: rPET redesign underway	Highest
Protein (Meat / Seafood)	EUR 8-13B	4 to 5%	14 to 18%	Very high	Moderate: MAP/VSP redesign	High
Produce	EUR 4-8B	3 to 4%	7 to 13%	Low to moderate	Very high: AGECE, Spain tax	Moderate
Bakery	EUR 4-6B	3%	8 to 13%	Moderate	Moderate: multilayer phase-out	Moderate
Confectionery and Snacks	EUR 7-10B	3 to 4%	12 to 16%	Moderate to high	Moderate: foil/multilayer	Moderate to high
Pet Food	EUR 2.65 - 3.47B (packaging)	4 to 5%	12 to 16%	Moderate to high	Moderate: mono-material bags	Highest
Dairy	EUR 18-22B	3.5 to 5.2%	10 to 16%	High to very high	Moderate: cup/tub redesign	Moderate to high
Beverages / Liquid Food	EUR 48.6B (MDF 2024)	4.69%	8 to 25%	High	High: DRS mandates, rPET	Moderate
Frozen Food	EUR 6-8B	3.5%	10 to 13%	Moderate	Moderate: carton/bag redesign	Moderate

INVESTMENT TIER FRAMEWORK

Three tiers organize the ten segments by investment attractiveness. Tier 1 segments combine above-average CAGR, above-average EBITDA margins, and meaningful switching costs that protect revenue once qualifications are established. Tier 2 segments offer selective opportunity depending on format specialization and regulatory positioning. Tier 3 segments have defensible niches but face structural headwinds from low switching costs, margin pressure, or concentrated incumbent positions that limit mid-market entry.

Tier	Segments	Investment Logic
Tier 1: Highest Priority	Ready Meals, Pet Food, Protein	5.6 to 6.2% CAGR (ready meals), 9% value growth (pet food), 26% of European food packaging (protein); very high switching costs; 15 to 20% EBITDA margins for specialists; PPWR compliance investments creating new moats

Tier 2: Selective	Dairy, Confectionery, Convenience / Food-to-Go	System-locked cartons (dairy), brand qualification cycles (confectionery), PPWR HORECA tailwind (convenience); moderate to high switching costs; 10 to 16% margins depending on format
Tier 3: Opportunistic	Produce, Bakery, Beverages, Frozen	High volume but low switching costs (produce, bakery), concentrated oligopoly with limited mid-market entry (beverages), functional simplicity limits margin (frozen); opportunity exists in specific niche positions

TOP THREE SEGMENT HIGHLIGHTS

Ready Meals: The Highest-Quality Investment Segment

Ready meals packaging combines the fastest food packaging CAGR in Europe (5.6 to 6.2 percent) with the highest EBITDA margins (15 to 20 percent for specialists) and the most durable switching costs (retailer qualification cycles of 12 months or more for new primary packaging). The CPET tray market is effectively a Faerch and kp duopoly at the specialty end, with Faerch's integrated tray-to-tray recycling model (minimum 40 percent tray-rPET in chilled CPET trays from January 2025, active Tesco, Waitrose, and Marks and Spencer relationships) as the segment benchmark. The UK is the most developed ready-meal market in Europe. Any converter with qualified CPET or rPET tray positions, verified rPET supply access, and long-term retail relationships is a premium acquisition target.

Pet Food: The Highest-Growth Segment

European pet food reached EUR 29.3 billion in 2023 with 9 percent annual value growth. FEDIAF data shows approximately 139 million European households (49 percent of EU households) owning at least one companion animal. Premiumization is driving format complexity toward stand-up retort pouches, mono-material dry food bags, and recyclable flexible formats. EBITDA margins run 12 to 16 percent, with premium retort formats at the high end. Mondi has invested EUR 65 million across three plants for wet pet food retort pouches; Coveris names pet food as a core strategic segment and has made two Polish acquisitions to build its CEE pet food platform. A qualified pet food packaging converter with established relationships at Mars Petcare, Nestle Purina, or major European private-label pet food brands is among the most defensible acquisition targets in European food packaging.

Protein: The Largest Segment with the Deepest Moats

Protein packaging (meat, poultry, seafood) represents approximately 26 percent of European food packaging by value, making it the largest segment. Sealed Air's Cryovac franchise has over 4,000 installed rotary vacuum chamber systems globally, creating equipment-linked customer relationships that extend contract lives to 7 to 15 years. CD&R's take-private of Sealed Air at approximately 9 times EBITDA confirms the premium the market places on equipment-integrated protein packaging positions. For mid-market buyers, the accessible opportunity is in MAP tray converters and high-barrier film specialists at 10 to 14 percent EBITDA margins, where customer specification qualification rather than equipment dependency creates the switching cost.

Full research report with individual segment deep-dives, format landscape analysis, named player profiles, regulatory mapping, and complete source citations available upon request from Rospex Holdings LLC.

© 2026 Rospex Holdings LLC | Proprietary Research | Full version with citations available upon request.