

ARTICLE

Corrugated & Cartonboard Packaging: Industry Landscape and Trends

In this article as part of our packaging industry series, Brian Barrett, Managing Director, examines the corrugated and cartonboard market, its growth across consumer and industrial sectors, and the structural and consolidation trends shaping competitive dynamics among producers.

FOCUS Investment Banking



The corrugated and cartonboard packaging sector is evolving amid structural demand drivers, capital investment requirements, and ongoing consolidation across the industry.

INTRODUCTION

Corrugated and cartonboard packaging are core components of U.S. and global supply chains, valued for their recyclability, cost efficiency, and adaptability across end markets. The sector benefits from structural demand drivers including e-commerce growth, sustainability regulation, and the shift toward fiber-based packaging as a substitute for plastics.

The industry continues to demonstrate sustained moderate growth, supported by advancements in packaging design, material efficiency, and stronger recycling systems. While transaction volumes have moderated from 2021 highs, large scale strategic M&A remains a defining feature of the competitive landscape, increasing scale and influence among leading producers.

INDUSTRY STRUCTURE & CONSOLIDATION DYNAMICS



Global Integrated Producers

- Fully integrated corrugated and cartonboard platforms operating across Europe and North America.
- Control over fiber sourcing, board production, and converting operations.
- Pursue scale and cross-regional integration through strategic acquisitions.



Regional Integrated Platforms

- Multi-plant regional operators with selective integration across cartonboard and corrugated converting.
- Expand regional footprint and improve operational efficiency through bolt-on acquisitions and targeted capacity investment.
- Active acquirers of smaller regional converters.



Independent Converters & Niche Carton Producers

- Fragmented regional players primarily focused on corrugated and cartonboard converting.
- Limited vertical integration and mill ownership.
- Typical bolt-on acquisition targets within a consolidating sector.

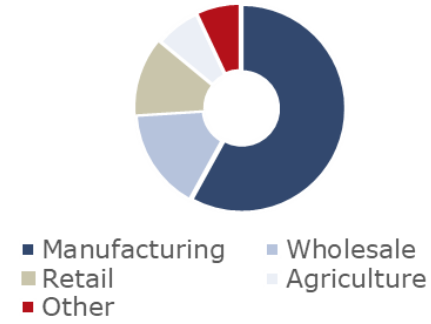


MARKET OVERVIEW

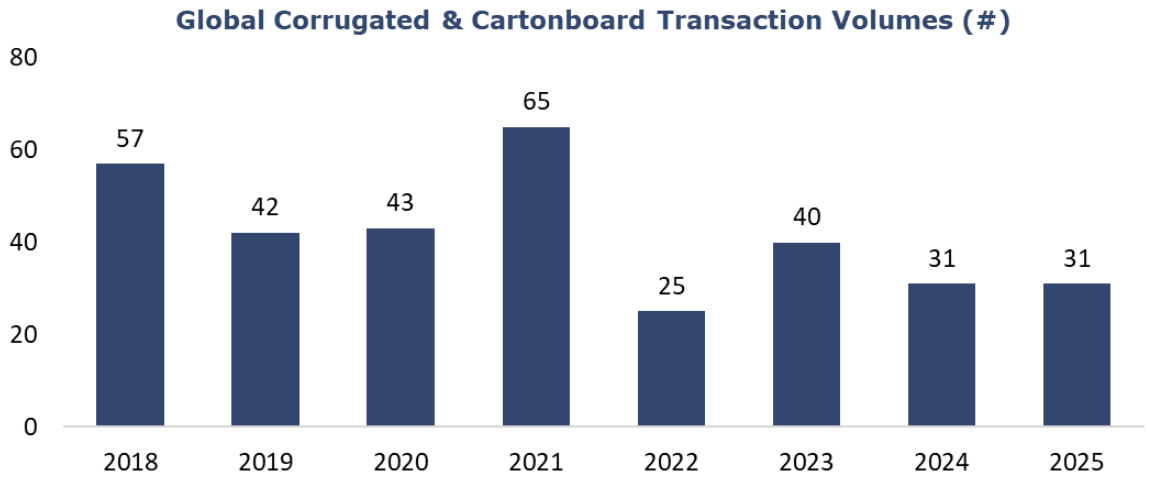
The U.S. corrugated packaging market is valued at c. $43bn, growing at c. 3% CAGR[1] annually, supported by consumer staples demand and continued e-commerce growth. The global corrugated packaging market is valued at c. $231bn.[2]

Folding cartonboard adds an additional $13.3bn to the U.S. market, growing at c. 3% annually with growth being driven by pharmaceutical manufacturing, cosmetics, and consumer electronics.[3]

DEMAND BY INDUSTRY SECTOR[4]



RECENT M&A TRANSCATION ACTIVITY



M&A activity in the sector peaked in 2021, driven by strong post-COVID demand, elevated e-commerce volumes, and the need to secure production capacity. While volumes moderated after 2021, M&A activity has remained consistent in recent years, reflecting ongoing consolidation across the sector.

The sector continues to experience steady consolidation, with integrated producers acquiring regional converters. At the same time, large-scale “mega-deals” have characterized recent M&A activity. Most notably, Smurfit Kappa and WestRock announced a $21.3bn merger creating Smurfit WestRock, the world’s largest fiber-based packaging group, combining strong European and North American market positions.

Sources: Capital IQ; 1) Mordor Intelligence – NA Corrugated Packaging Market. 2) Smithers – World Corrugated Packaging Market Returns to Growth Trajectory. 3) Freedonia – US Folding Cartons Report. 4) Fibre Box – Industry Annual Report – United States 2024.



RECENT MEGA M&A DEALS IN CORRUGATED & CARTONBOARD

Date	Target	Target Overview	Buyer	EV ($'m)	EV / Rev (x)	EV / EBITDA (x)
Jun-25	GREIF	Greif Containerboard & Box-Board Products manufacture containerboard and corrugated packaging products across the U.S.	PCA	$1,800m	1.5x	8.5x
Apr-24	DS Smith	DS Smith Plc provides sustainable packaging, paper, and recycling solutions worldwide.	International Paper	$9,905m	1.1x	7.2x
Feb-24	WestRock	WestRock Company provides sustainable fiber-based packaging, paper, and automation solutions globally.	Smurfit Kappa	$20,967m	1.0x	6.3x
Jan-23	De Jong Verpakking by Stora Enso	De Jong manufactures and supplies corrugated and cardboard packaging for the fresh produce and industrial sectors.	StoraEnso	$1,180m	1.0x	8.9x

CASE STUDY: SMURFIT WESTROCK MERGER SCORECARD

Bigger is Not Always Better

Deal Snapshot

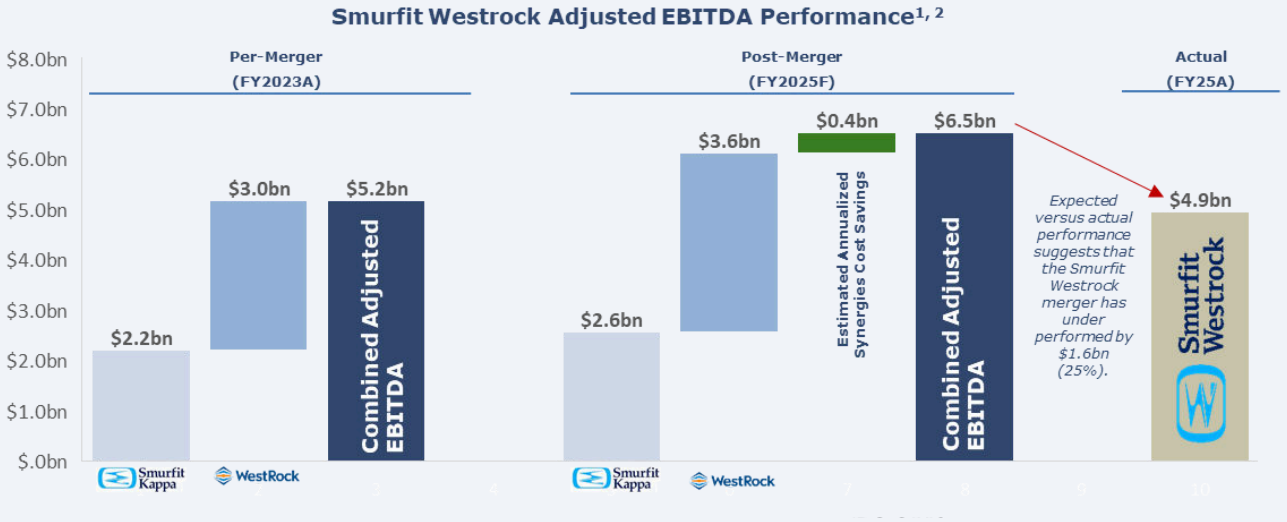
- The merger between Smurfit Kappa and Westrock was announced in September 2023 and completed in July 2024, bringing together two highly integrated corrugated and fiber-based packaging producers with complementary geographic footprints.
- The merger created a group with combined sales of c. $33bn across Europe and North America, creating one of the largest integrated packaging platforms globally.
- At the time of the merger, Smurfit Kappa and Westrock had adjusted EBITDA of c.$2.2bn and $3.0bn respectively, creating a combined business of almost $5.2bn.
- The strategic rationale for the merger was to create a more balanced transatlantic platform with enhanced mill-to-box integration and multinational customer coverage.
- Establishing a new large-scale business within fiber-based packaging, increasing competitiveness across the sector.
- The merger also identified significant rationalization benefits of approximately $400m (based upon one-off implementation costs of $235m) arising from integration benefits, procurement leverage, and administrative and overhead rationalization.

Source: Capital IQ



Merger Scorecard?

- Smurfit Westrock announced its financial results for the fourth quarter and full year ended December 31, 2025 on February 11, 2026.
- The business delivered revenues of $31.2bn and an adjusted EBITDA of $4.9bn for 2025.
- The financial period 2025, might be considered the first full year performance of Smurfit Westrock post merger, and Tony Smurfit (President & CEO) confirmed that, “In 2025, we established a strong foundation for Smurfit Westrock. We exceeded our committed synergy target of $400 million and put in place a series of customer-centric, commercial and operating initiatives.” The synergies delivered were largely concentrated on the rationalization of loss-making businesses and reduced headcount (by over 3,000 staff).
- At the time of the merger for FY2025, Smurfit Kappa projected an adjusted EBITDA of $2.6m and Westrock projected an adjusted EBITDA of $3.6bn, with annualized synergies of $400m, this projected that the combined businesses were expected to deliver an adjusted EBITDA of $6.5bn.
- While geopolitical conditions in 2025 created significant economic headwinds (ongoing global conflicts and U.S. tariff policy), the performance of Smurfit Westrock does not appear to be aligned with expectations at the time of the merger.
- There is more work for Smurfit Westrock to do to deliver upon its original merger expectations.



Sources: Capital IQ, 1) Smurfit Kappa Westrock Merger Prospectus and 2) Smurfit Westrock Reports Fourth Quarter and Full Year 2025 Results Announcement.



CASE STUDY: INTERNATIONAL PAPER ACQUIRES DS SMITH

Integration Followed by Separation

Deal Snapshot

- International Paper announced its acquisition of DS Smith in March 2024 and completed the $9.9bn transaction in January 2025, materially expanding its corrugated packaging footprint across Europe.
- The combination created a scaled transatlantic fiber-based packaging platform, combining International Paper's North American operations with DS Smith's European packaging business and establishing leadership positions in both regions.
- The transaction strengthened International Paper's position in sustainable corrugated packaging, increasing exposure to higher-growth end markets such as e-commerce and fast-moving consumer goods.
- The combination enhanced vertical integration and supply chain control, supporting improved cost competitiveness and margin resilience across the packaging value chain.
- Greater regional scale strengthened its ability to serve multinational customers across both regions and support broader operational integration.
- However, North America and EMEA operate within structurally different supply and competitive dynamics, creating complexity within a single transatlantic structure.

Post-Merger Repositioning

- Following integration of DS Smith, International Paper announced plans to separate the combined group into two independent public companies – a North American packaging business and a standalone EMEA packaging business.
- As disclosed in its 2025 earnings, the North American business generated c. $15.2bn in net sales, while the EMEA packaging business generated c. $8.5bn in net sales.
- Management cited structurally distinct regional market dynamics as the rationale for enabling more tailored capital allocation and strategic focus.

International Paper's North American Business[1]

- ~80% Top 5 concentration
- High supply integration
- Centralized customer base
- #1 player in North America
- ~1.0-1.5% long-term demand growth



International Paper's EMEA Business[1]

- ~50% Top 5 concentration
- Fragmented competitive structure
- Country-specific dynamics
- #1 EMEA position
- ~1.5-2.0% long-term demand growth



- The decision illustrates how large-scale M&A can create strategic optionality, with consolidation followed by structural simplification to optimize long-term value creation.

Sources: Capital IQ; 1) IP Fourth Quarter and Full Year 2025 Earnings



CONCLUSION

- Corrugated and cartonboard packaging remain essential to global commerce, supported by steady end-market demand and structural growth from e-commerce and sustainability trends.

- As large integrated producers scale through consolidation, competitive dynamics are increasingly defined by integration, geographic reach, and operational scale. Recent transactions demonstrate that while scale remains a strategic priority, it must align with regional market structure and capital allocation discipline.

- Mid-market converters and specialty players retain opportunities to differentiate through automation, recyclable materials, and design capability, particularly in serving regional and niche customer needs.

- Over the medium term, the sector is likely to remain consolidation-led, with strategic buyers pursuing scale, integration, and access to high-quality regional platforms as they refine portfolio focus and competitive positioning.



PRACTICE TEAM



Robert Adams
President
robert.adams@focusbankers.com

Robert Adams is President of FOCUS and has over 25 years' experience in mergers and acquisitions, debt advisory, equity fundraising, business turnaround and strategic advisory services for a wide range of clients. His strategic insight and global perspective have made him a sought-after advisor for cross-border deals and complex capital market engagements across multiple industries. Robert is a board member of M&A Worldwide, and a Fellow of Chartered Accountants Ireland.



Rick Thomas
CEO
rick.thomas@focusbankers.com

Rick Thomas, FOCUS's CEO, has 25 years of consulting, management and M&A advisory experience across industries including manufacturing, distribution, and food service. Prior to joining FOCUS, he served as Vice President at VSI, a boutique investment banking firm located in Washington, DC. He led M&A activities for publicly and privately held companies in the middle market, several of which have annual revenues in excess of $1 billion.



Brian Barrett
Managing Director
brian.barrett@focusbankers.com

Brian Barrett, a Managing Director at FOCUS, has extensive expertise in providing strategic advice to entrepreneurs, business owners and companies to assist them in achieving their strategic ambitions with nearly 20 years of corporate finance experience working with SMEs, large corporates and semi state bodies.

Brian specializes in Agribusiness & Food, Advanced Manufacturing, and Packaging industries.



Conor Miller
Managing Director
conor.miller@focusbankers.com

Conor Miller, a Managing Director at FOCUS, has over 20 years of C-level operating experience, business strategy, and M&A expertise across a diverse range of industries, including Power Systems and Renewables, Advanced Manufacturing, Consumer Products, and Telecommunications. He delivers high-impact outcomes for clients and has an impeccable track record of closing complex transactions.



Adam Ryan
Executive
adam.ryan@focusbankers.com

Adam Ryan, a FOCUS executive, supports buy-side and sell-side engagements as well as capital raising. Prior to FOCUS, he worked at DelMorgan & Co., working across the U.S.. His experience includes working with founder-owned businesses in the advanced manufacturing and packaging sectors.



Kate Elliott
Director of Research
kate.elliott@focusbankers.com

Kate Elliott is the Director of Research and oversees the production of research, financial modeling and analysis, and writing assignments that are integral to FOCUS's process-driven methodology for executing M&A transaction work.