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ARTICLE

Robotics & Automation in Packaging: Driving Efficiency, Scale and Long-Term Value

This article, as part of our packaging sector coverage, explores how advances in robotics and automation are transforming packaging operations, enabling smarter, more flexible production, and enabling packaging companies to strengthen efficiency, scalability, and long-term value.



Major trends and technologies emerging within the packaging automation sector are being shaped by advances in robotics, digital integration, and the need for greater flexibility and operational efficiency.

INTRODUCTION

Packaging automation has evolved significantly, moving from basic conveyor systems to AI-enabled, vision-guided platforms that integrate collaborative robotics to deliver higher precision and adaptability. Across global packaging lines, automation is expanding to address persistent labour shortages, improve accuracy and reduce material waste — lifting productivity while protecting margins.

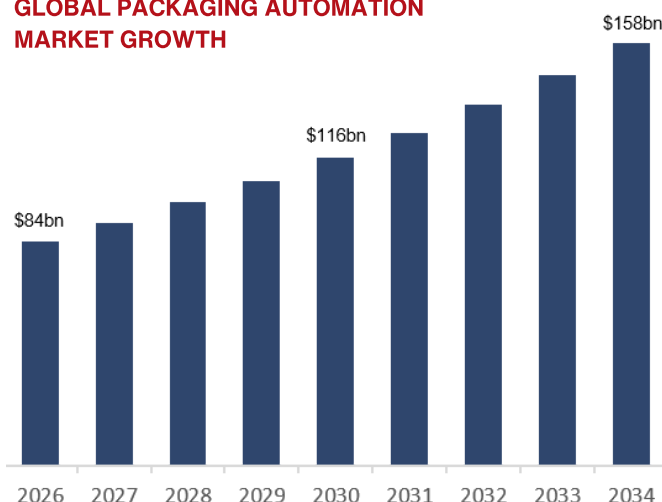
Today, automation spans nearly every packaging function, from handling and palletizing to quality inspection, giving producers greater throughput, consistency and uptime across major consumer sectors. For mid-market packaging producers, flexible and modular automation systems are enabling businesses to scale efficiently, adapt to changing product runs and compete more directly with larger multinational players.

As a result, automation has become a strategic lever for packaging companies. It can improve efficiency, reduce labour dependency and position automated facilities for stronger margins and higher valuations with both financial and strategic buyers.

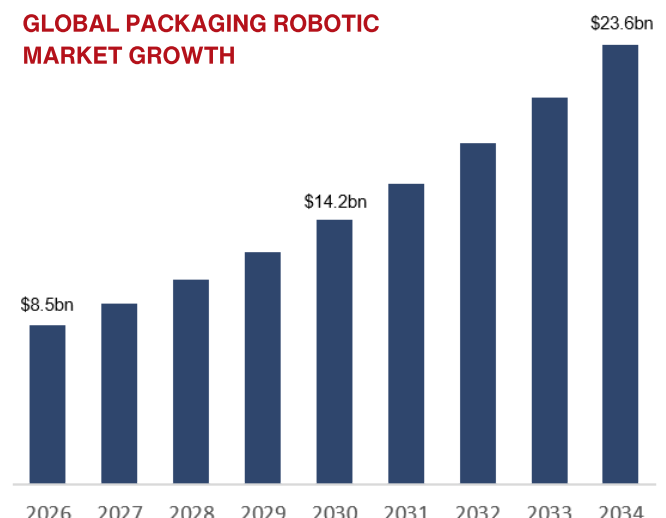
MARKET OVERVIEW

- The global packaging automation market is valued at ~\$84bn (2026), growing at a CAGR of ~8.2% as packaging lines become increasingly smart and connected¹.
- Packaging robots are the fastest-growing segment at ~\$8.5bn (2026), expanding at a CAGR of ~13.6% up to 2034².
- APAC leads global market share at roughly one-third and continues to grow, while North America remains a strong base for modernization and upgrade activity³.
- Current investment momentum centres on end-of-line automation (case packing, palletizing, labelling) where return on investment (ROI) and labour savings are most immediate⁴.

GLOBAL PACKAGING AUTOMATION MARKET GROWTH



GLOBAL PACKAGING ROBOTIC MARKET GROWTH





ROBOTICS & AUTOMATION PACKAGING TRENDS

As packaging firms move from standalone equipment upgrades to connected, modular production lines, the key technologies are clustering around robotics, inspection, end-of-line automation, simulation and predictive data.

TREND	PACKAGING USE CASE	OPERATIONAL BENEFIT
Collaborative & Mobile Robotics 	Cobots and AMRs (Autonomous Mobile Robot) handle pick-and-place, labelling and light packaging. AMRs move materials between cells and storage. Fleet management optimises traffic and flow.	• Greater labour flexibility and more consistent throughput. • Safer, space-efficient operations with lower handling costs.
Vision-Guided Quality & Inspection 	AI vision detects label, seal and fill errors in real time. Adaptive learning adjusts to new SKUs and packaging types. Connected systems enable instant corrections and stable quality.	• Reduced waste and rework. • Improved compliance and product consistency.
Smart End-of-Line Automation 	Robotic case packers, palletisers and stretch-wrappers use predictive control. Plug-and-play modules scale output quickly without major line disruption. Cobots extend automation to smaller plants.	• Faster changeovers and higher throughput. • Stronger ROI on existing lines and assets.
Digital Twins & Simulation 	Virtual modelling tests layouts and robot paths before installation. Digital twins refine operations in real time. Simulation-based training prepares operators before launch.	• Shorter commissioning and training cycles. • Lower downtime and startup risk.
Data-Driven Optimisation & Predictive Maintenance 	Cloud analytics monitor OEE (Overall Equipment Effectiveness), power use and component wear. Machine learning predicts drift and failures early. Dashboards highlight bottlenecks across plants and lines.	• Extended equipment life. • Fewer unplanned stoppages and lower maintenance costs.



OPERATIONAL LEVERAGE

Lower labour reliance and safer, space-efficient operations.



QUALITY & COMPLIANCE

Fewer recalls, less waste and stronger compliance and product quality.



SCALABLE CAPACITY

More scalable output from the existing footprint.



BUYER APPEAL

Higher uptime, greater reliability and longer asset life.

COMPETITIVE LANDSCAPE

The market remains split between scaled global packaging platforms and specialist operators with niche automation capabilities, creating clear scope for consolidation.

GLOBAL PLATFORMS



REGIONAL PLATFORMS



Key Features

- Packaging groups with automated, multi-site production networks.
- Scale, data integration and aftermarket programmes support margin resilience and customer retention.
- Larger platforms may pursue acquisitions to add technical capability, expand regional coverage or strengthen service-led revenue.

End Markets

- Serve broad end markets including food and beverage, pharmaceuticals, consumer goods and logistics, supporting diversified demand exposure and resilient customer relationships.

Product Focus

- Advanced end-of-line capability across case packing, palletizing, wrapping and labelling, supported by integrated digital, quality and handling systems.

- Regional operators with strong customer relationships and customised packaging or automation expertise.
- Niche capabilities in retrofit, line integration, specialist formats and responsive local service can support strategic relevance.
- Technical know-how and support-led models help strengthen customer retention and recurring revenue potential.

- Typically focused on regional food and beverage, contract packaging, personal care, healthcare packaging and selected industrial customers, often with deeper local market relationships.

- Modular packaging cells, line integration, retrofit programmes and specialised machinery tailored to specific SKUs (Stock Keeping Units), formats and production requirements.

M&A THEMES SHAPING THE PACKAGING AUTOMATION MARKET

Fragmentation and automation requirements are driving consolidation interest in packaging automation, particularly among businesses with specialist capabilities, customer relationships and recurring revenue.

Active Consolidation Interest

Fragmented market dynamics and demand for specialist capability continue to support consolidation across packaging automation.

Owner Succession & Liquidity

Limited family succession options and shareholder liquidity needs can create opportunities for strong mid-market assets to seek investment or partnership.

Specialist Capability Demand

Larger platforms are seeking automation know-how, line integration, robotics and end-of-line capability to strengthen their customer offering.

Aftermarket & Service Revenue

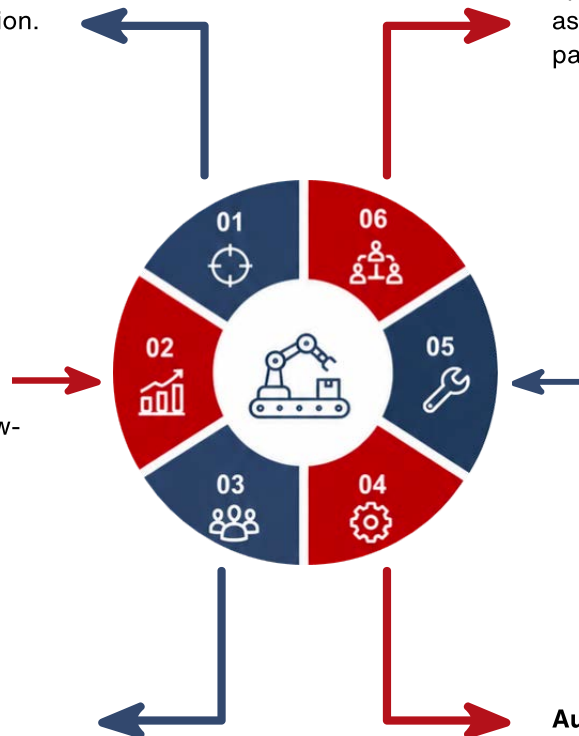
Retrofit, service and support models improve revenue quality, customer retention and recurring revenue visibility.

Regional Scale & Access

Strong local relationships and regional service density remain strategically valuable in a market where responsiveness matters.

Automation as a Value Driver

Automation, digital integration and flexible production capability can strengthen scalability, margins and long-term competitiveness.



RECENT M&A TRANSACTION ACTIVITY

- Consolidation across packaging automation remains active, as strategic buyers and financial sponsors seek specialist capabilities, regional scale, recurring service revenue and technology-enabled efficiency.
- Recent transactions focus on embedding robotics, motion control, and process automation into packaging equipment portfolios, reflecting rising demand for connected, intelligent production systems.
- Notable deals include JBT's acquisition of Marel, ATS's acquisition of Paxiom and Duravant's acquisition of Pattyn; each highlights continued interest in automation-led platforms with scalable, service-oriented capabilities. Disclosed transaction activity is set out below:

DATE	TARGET	TARGET DESCRIPTION	BUYER	EV (\$, m)	EV / Rev (x)	EV / EBITDA (x)
Apr 2025		Pactiv Evergreen manufactures a diversified range of packaging, including cartons, containers, cups and trays for major restaurant, retail and food producers.		\$6,955m	1.3x	6.1x
Sep 2024		Orora Packaging Solutions provides sustainable packaging, print, facility and automation solutions across food, beverage, healthcare, industrial, and other end markets.		\$1,200m	0.6x	9.9x
Nov 2023		Marel provides advanced automation and robotics for food processing and packaging, enhancing efficiency and sustainability.		\$3,500m	2.0x	10.3x



CASE STUDY: JBT CORPORATION - MAREL → JBT MAREL CORPORATION

Deal Snapshot

- JBT Corporation's acquisition of Marel created JBT Marel, a global food and beverage technology platform with equipment, automation, software and service capabilities.
- The deal reflects the industry shift toward fully integrated processing and packaging operations, enabling producers to improve yield, sustainability, and traceability across connected production lines.
- With roughly \$4.3 billion in combined revenue and a strong aftermarket and service base, JBT Marel is positioned to meet rising demand for sustainable, automated, and data-driven packaging solutions.

Impact on Robotics and Automation in Packaging Industry

- Raises the competitive bar for automation providers, pushing the market toward unified robotics, data and packaging platforms rather than standalone systems.
- Strengthens confidence in robotics-led efficiency and sustainability, reinforcing automation as a primary solution to labour shortages and cost pressure in food and packaging lines.
- Accelerates innovation in hygienic robotics, adaptive gripping, and AI-enabled packaging technologies.
- Drives further consolidation among automation OEMs and integrators as competitors pursue scale, digital capability, and aftermarket service strength to remain competitive.

CONCLUSION

Robotics and automation are no longer just efficiency tools; they have become clear proof points of competitiveness. Mid-sized packaging firms that automate strategically are increasingly viewed as more scalable businesses and are attracting stronger interest from investors and acquirers.

The industry continues to move toward flexible, data-enabled production lines, with companies investing in modular systems, collaborative robots and integrated analytics to create more agile operations. These capabilities allow businesses to pivot quickly to new SKUs, respond to changing customer demands and win contracts from larger brands.

At the same time, sustainability requirements and ongoing labour shortages are reshaping the packaging landscape. Buyers are increasingly placing a premium on suppliers that can produce reliably, provide full traceability and reduce waste, making automation and operational capability important drivers of long-term value.

The short-term play: Adopt automation that reduces downtime, boosts throughput, and demonstrates the ability to grow without adding headcount.

The long-term play: Build a digital, efficient operating platform that's difficult to replicate and highly attractive as consolidation in the sector accelerates.

PRACTICE TEAM



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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. Robert is also a board member of M&A Worldwide, a global corporate finance advisory organisation



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