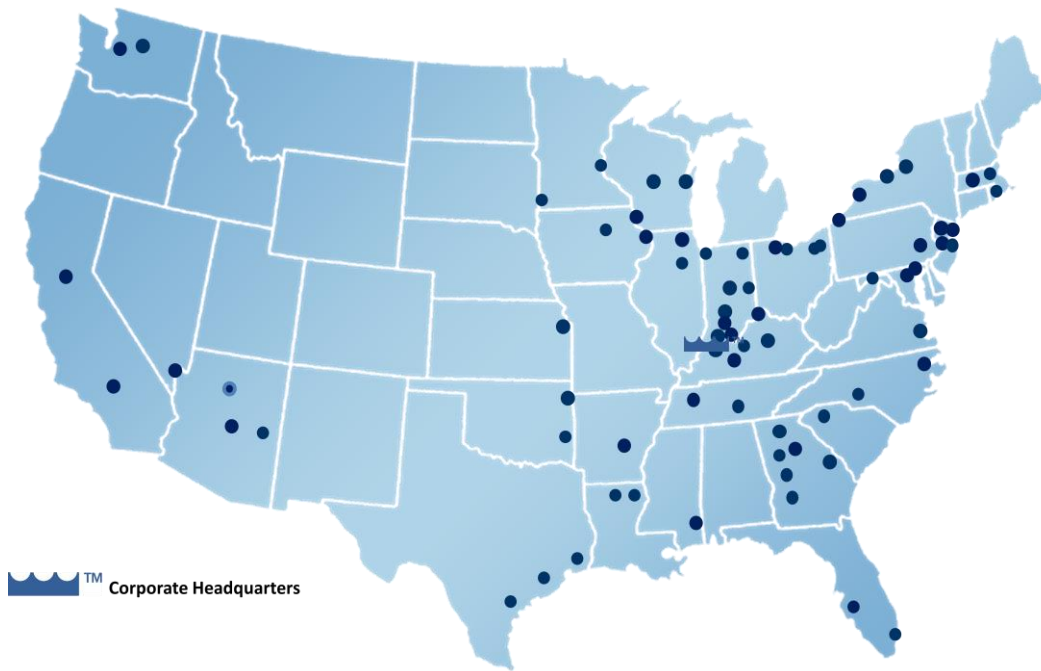


Good afternoon Mr. Chairman and members of the Committee. My name is Jon Rich. I am the Chairman and CEO of Berry Plastics Corporation. Berry Plastics, headquartered in Evansville, Indiana, and Indiana's 8th Congressional District, is one of the largest food, personal care, healthcare, pharmaceutical, and industrial packaging companies in the United States. Starting from a small beginning in 1967 with three employees and one plastic injection molding machine, today we employ over 15,000 people at approximately 70 US manufacturing and warehousing facilities, which are located in more than 30 different states.



A significant milestone was reached last October, when we took the Company public and shares of our Common Stock began trading on the New York Stock Exchange. While Berry Plastics is not a household name, we have over 13,000 customers and we manufacture over 50,000 different packages, with our products being found in nearly every household in America.



Even though Berry is a significant industry player, the global packaging industry, in which we participate, is extremely competitive. As such, we are diligent in pursuing those initiatives that will allow us to best meet or exceed our customers' expectations. Berry's competitive advantage is rooted in our expertise in manufacturing. Each year we typically invest approximately \$250 million in state of the art capital equipment and \$50 million in product and manufacturing process research and development. These investments in manufacturing innovation, new product development and the investments we have made in training for our people are the primary factors that have allowed us to grow at over 20% per year since 1995. It is also the principal reason that we have been able to compete and win in the ever more challenging global marketplace. And yet, if we stop innovating and investing in new technologies, either as a company or a country, then our success will quickly disappear.

Throughout our history Berry has worked cooperatively with federal, state, and local governments with the mutual goal of growth, that in turn creates new jobs that generates consumer spending and tax revenues in our communities. When it all works we create exciting new products for our customers, new jobs for our communities, and increased value for our shareholders. A great example of this is our new thermal packaging technology that we have branded as Versalite. To fully develop the initial conceptual ideas behind Versalite we had to invent a new material, a new product, and a new manufacturing technology. I am very pleased to say that all of which are being installed in our new factory in Madisonville, Kentucky. The support extended by the State and Local agencies, and the proximity of the new plant near our core engineering base in Evansville, made locating in Kentucky the right decision for Berry Plastics. Manufacturing at this one facility should create over 400 new jobs for a community in need for employment opportunities for its citizens.

However, it is important to understand that not only is the competitiveness of America's manufacturing industries vital to the stability and success of our local communities, it is also vital to our national security. While Berry has not historically participated extensively in direct government contracts, we do some work on federal contracts.

To be successful Berry, like other manufacturing companies, must have the ability to invent state-of-the-art products, manufacturing processes, and equipment, but, it is imperative that we have the ability to recruit and train the best workforce in the world. The most important single factor that determines our success at Berry, and the key to maintaining and expanding America's leadership in manufacturing, lies in the development of outstanding engineers, scientists, and our manufacturing labor force. In this regard, companies like Berry have benefitted from the important partnership that we have with universities, vocational schools, and government laboratories and agencies. The strengthening of that relationship between private industry and government is a vital part of the legislation being proposed.

My own personal experience is a good example of the long-term benefits of government investments in research and development, for which I have always been grateful. As an undergraduate student at Iowa State University I worked at the Department of Energy's Ames Laboratory. While a graduate student at the University of Wisconsin in Chemistry I conducted research sponsored by the National Science Foundation and the Air Force office of Scientific Research. As a staff scientist at General Electric's Global Research Center I was involved in projects with the Air Force, Navy, and NASA. Later, as President of

Goodyear's North America Tire business, we benefitted from a close collaboration with Sandia National Laboratory that helped us invent state-of-the-art tires that had improved performance and enhanced safety features.

I am pleased to appear here today in support of the goals targeted by HR 2447. The bill's objective of promoting growth, jobs, sustainability, and competitiveness is vital to our national interests and critical to helping us make progress in recovering from the economic downturn, the lingering effects of which continue to be felt even now by companies like Berry.

Perhaps the most important aspect of the proposed legislation is the goal of supporting the development of a skilled workforce. The government is in a unique position to support manufacturing related research and development at the United States' universities and vocational institutions. It is important that this support contain both generic and targeted objectives. Government agencies such as the National Science Foundation, the Department of Energy, the National Institute of Standards and Technology, the Department of Defense, NASA, and others are particularly well suited to carry out this mandate.

With the appropriate cooperation and investment between private industry and the government, significant achievements can be accomplished to enhance and improve our country's manufacturing competitiveness and ultimately create the growth and job creation that we all seek. A great example of this potential is in the development of America's newly discovered shale gas resources. These resources, if properly developed, have the potential to create an industrial revolution in the United States not seen since the post World War II years.

America's abundant shale gas and oil reserves offer the potential for low cost energy and energy independence from imported oil. It also will provide a source of globally competitive raw materials, such as the plastic resins used by Berry that will allow the creation of new products and technologies here in the United States. The development of these resources in and of themselves will require new manufacturing technologies that have the potential to create thousands of jobs. The secondary effect of the invention of processes to convert these natural resources into new materials will create even more jobs than the mere extraction of the oil and gas themselves. Of course to succeed all of these things must be accomplished with the objective of doing so while protecting our environment and preserving our quality of air and water resources. There are those today that think that these goals cannot be mutually accomplished. This I could not disagree with more. America's historical strength and economic leadership has been grounded in the principal of responsible progress. Responsible progress means that we can develop and utilize our natural resources, while simultaneously protecting our environment.

To succeed in these endeavors it is imperative that we create new materials and manufacturing processes to employ these materials. It will require new diagnostic techniques to monitor and improve process efficiencies. It will also require manufacturing technologies that reduce the ergonomic stress on employees who operate the machinery, while improving the overall safety of manufacturing industries. Furthermore, it will require that we develop manufacturing capabilities that reduce energy

consumption, minimize emissions, and can be conducted in a sustainable manner that protects the environment. We must accomplish all these things, in a manner that has a globally competitive cost structure, while creating the most innovative products in the world. The aforementioned can be accomplished and are the kinds of things that Americans have excelled in. With the proper strategic plan, similar to that proposed in HR 2447, the appropriate balance of public and private investment, and the combined commitment of America's government and private industry, the essential goals for increased growth and job creation can be achieved.

In closing, I would like to add that I would be willing and interested in participating in, however the private sector may be involved, the development of the strategic plan. I thank you again for the opportunity to appear here today.