

Amcor and Berry: Is Scale Worth the Shares?

Internal ID: S&F-STR-045

Topic: Mergers & Acquisitions, Pricing Strategy, Growth Strategy

Industry: Paper & Plastic Packaging Products & Materials

Source: Strategy & Finance

Publication date: 5 October 2026

License: Not specified

Audience: MBA students and working professionals

Decision point and information cutoff: 19 November 2024, end of day U.S. Eastern Time

Decision scope: Amcor shareholders' yes/no vote on issuing shares under the signed Berry merger agreement

Case convention: This is an author-created decision exercise. It uses public information available by the cutoff. It does not reconstruct private board or negotiation deliberations or provide legal voting advice.

The decision

On 19 November 2024, Amcor and Berry Global announced an all-stock combination. Their boards had unanimously approved and signed the agreement. Amcor shareholders would later vote yes or no on issuing Amcor shares under that agreement; Berry shareholders would vote separately on the merger. The proxy materials and shareholder vote were still ahead.

The terms were fixed at 7.25 Amcor shares for each Berry share. The announcement implied a value of \$73.59 per Berry share using the reference price described by the companies. Both sources gave approximate post-close ownership estimates, but rounded differently: the release showed 63% for Amcor shareholders and 37% for Berry shareholders, while the investor presentation showed 62% and 38%. The estimates are tied to the announced terms, not a cash price or a guaranteed value. [3], “Transaction Overview” and “Compelling Financial Benefits”; [4], slide 8.

At the 8:00 a.m. ET public call, Amcor CEO Peter Konieczny described the combination as a way to improve Amcor's long-term growth profile. The SEC-filed transcript, posted at 11:52 a.m. ET, records that live call and is included in this day's information set. The time difference matters: the document was filed after the public event, but before the case's end-of-day cutoff. [6], p. 1 and SEC filing directory.

Assignment: Recommend that Amcor shareholders vote **FOR** or **AGAINST** the share issuance under the signed agreement. Explain how the combination could create value, what could prevent it, and why the expected value does or does not justify the stock issuance and execution risk. Separately identify any board commitments or post-close reporting you would ask for. Do not present those requests as conditions on the ballot; any amendment would have to be legally feasible and negotiated by the parties.

Amcor's position before the announcement

Amcor operated flexible and rigid packaging businesses serving food, beverage, healthcare, home and personal care, and other markets. Its strategy emphasized customer partnerships, innovation, sustainability and both organic and acquisition-led growth. Competition varied across end markets and regions; Amcor reported that customer consolidation could increase pressure for lower prices. [1], Item 1, pp. 4-9; Item 1A, pp. 10-13.

The latest operating results before the announcement came from the quarter ended 30 September. Amcor reported total volume growth of about 2% year over year, one percentage point better sequentially than the year-over-year rate in the June quarter. That headline concealed different category trends: healthcare and North American beverage remained soft and reduced total volume by about two percentage points, while volumes across the rest of the business were about 4% higher. Adjusted EBIT was \$365 million, up 3% on a comparable constant-currency basis; adjusted EPS was 16.2 U.S. cents, up 5% on the same basis. Amcor reaffirmed its fiscal 2025 adjusted EPS range of 72-76 cents and adjusted free cash flow range of \$900-\$1,000 million. These adjusted figures are company-defined non-GAAP measures. [2], pp. 1-4.

At 30 September, Amcor reported \$6.872 billion in net debt and leverage of 3.5 times net debt to adjusted trailing-twelve-month EBITDA; it expected leverage at or below 3.0 times by 30 June 2025. That was the standalone company's disclosed position, not a pro forma merger calculation. [2], p. 4.

The strategic proposition

Management argued that the portfolios were complementary. Amcor had a global flexible-packaging business and a regional-scale rigid-packaging business in the Americas. Berry brought scale in flexible packaging concentrated in North America and Europe, a global containers franchise, and a global closures business. Berry's CEO said the companies had little product overlap; Amcor's CEO described the transaction as broadening the offering in formats, materials, healthcare and dispensing. These were management descriptions, not a customer-by-customer overlap analysis. [4], slides 11-15; [6], prepared remarks pp. 2-4 and Q&A pp. 8-9, 11-12.

Together, the companies projected more than \$24 billion in revenue, \$4.3 billion in adjusted EBITDA including run-rate synergies, more than \$3 billion in annual cash flow, around \$180 million in annual R&D investment, 10 innovation centers, about 70,000 employees, roughly 400 facilities and more than 20,000 customers. The companies said the expanded footprint could improve service to global customers and provide local customers with access to broader capabilities. [3], "Compelling Strategic Benefits" and "Compelling Financial Benefits"; [4], slides 8, 12-16.

Amcor and Berry presented a \$650 million annual benefit/earnings impact by year three. The components had different bases:

Announced component	Company description	What it does not establish
\$530 million	Annual run-rate, pre-tax cost synergies	Realized savings, timing by year, or net benefit after costs
\$60 million	Annual run-rate financial savings	Operating EBIT or EBITDA

Announced component	Company description	What it does not establish
\$60 million	Annual run-rate, pre-tax earnings impact from growth synergies	Customer adoption or incremental sales already secured
\$280 million	One-time working-capital cash benefit	Recurring earnings
Approximately \$280 million	Expected pre-tax costs to achieve synergies	That implementation can be completed without disruption

The companies also cited over 35% adjusted cash EPS accretion and a target of more than \$3 billion in annual cash flow. The cash-flow measure included run-rate synergies after interest and tax, before capital expenditure. The companies stated that combined financial projections were arithmetic sums of historical measures, not Regulation S-X pro forma statements; their adjusted measures might not be comparable. None of these forecasts was audited or realized at the decision point. [3], “Compelling Financial Benefits” and non-GAAP notes; [4], slide 8 and footnotes.

What the call clarified-and left open

Analysts pressed management on whether product breadth would produce faster growth. One asked how this deal differed from Amcor's acquisition of Bemis, which had delivered synergies but, in the analyst's view, not clear share-price growth beyond dividends. Konieczny said the earlier transaction had added another flexible-packaging business, while Berry added more distinct formats. He also pointed to market dislocation after Bemis and to recent sequential volume improvement. [6], Q&A pp. 8-9.

Konieczny described an expected long-run growth-profile lift of about 100 basis points against a low-single-digit market. In the same discussion, he acknowledged weaker year-over-year comparisons, ongoing healthcare destocking and that underlying consumer demand was flat to low-single digits, with no quick rebound assumed. He attributed some recent improvement to customers rebalancing volumes after earlier price-led margin protection and cited Amcor's share gains as management's assessment. Those explanations help frame the growth thesis; they do not prove that the merger would produce the forecast uplift. [6], Q&A pp. 12-13 and 17-18.

Berry's CEO said the companies had not shopped Berry because the combination was compelling. An analyst had asked why the signed deal was more attractive than Berry remaining standalone. The CEO described faster growth and more resources for R&D and sustainability investment as reasons. These were the seller CEO's claims, not an independent comparison with every possible alternative. [6], Q&A p. 16.

The call also exposed execution questions. Management described procurement as a major cost-synergy source, with the two companies' combined procurement spend exceeding \$10 billion and their resin buying concentrated in different grades. On regulatory exposure, Amcor's CEO said he saw limited overlap and did not anticipate particular exposure, while declining to speculate on regulatory outcomes. [6], Q&A pp. 11-14. The companies' announcement separately identified regulatory approvals as a closing condition. [3], “Timing and Approvals.”

Operating context and competing pressures

Berry released fiscal 2024 results on the morning of the announcement. Those results included the Health, Hygiene & Specialties Global Nonwovens and Films business, which had been spun off before the deal announcement. Berry reported \$12.258 billion in sales, \$937 million in operating income and \$516 million in net income for the year; the measures should not be combined mechanically with Amcor's figures to create a deal-perimeter comparison. Berry's release also identified debt service, resin-cost pass-through, acquisition integration, synergy capture, IT and customer/talent retention among its risks. [5], pp. 1-4 and 5-7.

Packaging competition was not only about scale. Sealed Air's 2023 Form 10-K described competition on performance, automation, sustainability, service and price, and noted exposure to resin costs and global and regional competitors. It is a peer with a different business mix, not proof of Amcor's or Berry's pricing power. [7], Part I, Item 1 and risk discussion.

The transaction therefore posed two related questions. Could a broader product range and footprint improve customer relevance and lower costs without weakening service, innovation or pricing? And could a larger balance sheet and new share count support the expected growth while preserving Amcor's investment-grade commitment and capital-allocation flexibility?

Discussion questions

1. What specific customer problems could the combined product portfolio solve that neither business could address as well alone? What evidence would you need to distinguish real complementarity from a management assertion?
2. Which parts of the announced \$650 million benefit are most credible, and which depend most heavily on execution or customer behavior? How should one-time cash benefits and costs affect your view?
3. How does Amcor's pre-deal Q1 volume improvement change the case for combining? Which category-level details qualify the headline?
4. Does the fixed share exchange justify the scale, portfolio and innovation opportunity? What are the strongest reasons to vote against issuance?
5. What board engagement or post-close disclosure would help shareholders monitor delivery? Keep this separate from your FOR/AGAINST recommendation.

Sources and conventions

All sources below were public by 19 November 2024, end of day U.S. Eastern Time. Statements identified as company forecasts or management views remain attributed. The SEC call transcript was filed at 11:52 a.m. ET on 19 November and records the public call that began at 8:00 a.m. ET.

[1] Amcor plc, FY2024 Form 10-K, year ended 30 June 2024, filed 16 August 2024. Item 1, pp. 4-9; Item 1A, pp. 10-18; MD&A, pp. 29-39. [SEC filing](#)

[2] Amcor plc, Q1 FY2025 results, three months ended 30 September 2024; Form 8-K filed 31 October 2024, Exhibit 99.1. Highlights and tables, pp. 1-2; segment data and volume discussion, pp. 2-3; debt, leverage and guidance, p. 4. [SEC exhibit](#)

[3] Amcor and Berry, transaction announcement, 19 November 2024. “Compelling Strategic Benefits,” “Compelling Financial Benefits,” “Timing and Approvals,” and non-GAAP notes. [Amcor release](#)

[4] Amcor and Berry, joint investor presentation, 19 November 2024. Slides 8, 11-16 and footnotes. [SEC Exhibit 99.2](#)

[5] Berry Global Group, FY2024 earnings release, 19 November 2024, SEC Form 8-K accession 0001378992-24-000064. Results pp. 1-3; financial statements pp. 5-7. [SEC exhibit](#)

[6] Amcor and Berry, joint investor call transcript, live call 19 November 2024; transcript filed under Rule 425 later that morning. Prepared remarks pp. 1-7; selected Q&A pp. 8-18. [SEC transcript](#)

[7] Sealed Air Corporation, FY2023 Form 10-K, filed 27 February 2024. Part I, Item 1 and risk discussion. [Investor-relations filing record](#)