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What Are The Common Types of Packaging Companies?

September 18, 2017 by Sara Greasley



While looking for packaging for your product, you will likely encounter many different types of packaging companies. I think it's important to know, to some degree, how these packaging companies differ so you can understand the advantages each type has to offer.

The two most common types of packaging companies are: **manufacturers** (they make and sell packaging) and **brokers** (they only resell packaging). And these two types can serve as categories that include all other types of packaging companies. For an article about the pros and cons of packaging manufacturers and packaging brokerages, [click here](#)

Packaging Companies that make and sell the packaging (Manufacturers):

- Packaging Manufacturer
- Prototype Company

Packaging Companies that just sell packaging and/or packaging related services (Brokers):

- Packaging Broker

ABOUT

Packaging Manufacturer

A **packaging manufacturer** has machinery to produce, typically, one type of packaging. They will either make custom packaging to order, or will make stock packaging to sell to distributors .

Packaging manufacturers who make custom packaging will use in-house salespeople or outside brokers to sell their packaging. So when you call a packaging manufacturer looking for custom packaging, you will speak with an in-house salesperson who works for a salary and some type of commission incentive. These in-house salespeople are usually well informed and experienced with their company's type of packaging, but sometimes, little else. So if you need other components to your packaging or just some informed advice, you may have trouble getting what you need. Of course, it depends on the experience of the salesperson you are dealing with; they may be incredibly competent and well informed.

Prototype Company

These types of packaging companies can only produce really small volumes of packaging that are mainly to be used as samples for presentation purposes. The prototypes are made by hand, assisted by light machinery for "comping" a realistic looking packaging complete with custom printing. Prototype companies will structurally design your packaging and provide some graphic production services (not branding). So if you need a packaging prototype to present to a buyer, these types of companies can be very useful.

Of course a packaging manufacturer or packaging broker can provide prototypes as well, but these usually come with some type of commitment on your part. I discuss prototypes in more detail in this [article](#).

Packaging Broker

A **packaging broker** is a type of company or individual that buys custom packaging from a packaging manufacturer and resells to the customer. A broker handles the money, paperwork, may hold inventory, and also project manages.

Anyone with good connections and an understanding of the packaging industry can become a packaging broker. Brokers typically sell any type of packaging as long as they have a good and reliable supplier (manufacturer) for that type of packaging. While some manufacturers work with brokers exclusively, other manufacturers won't work with brokers at all. Also to note, packaging brokers come in various levels of competency; some brokers are excellent and some are just not.

One may think that when using a packaging broker (who is essentially a middle man) the price of packaging will necessarily be higher because of the broker's price mark-up (commission). That is not necessarily true. Often times brokers get special discounts from manufacturers that allow for the extra mark-up. Of course, there are times when it actually is more expensive to use a broker, but considering that a good broker can take care of all the details for you, they can be well worth the extra cost.

Packaging Distributor

A lot of our packaging is custom made, but a lot of it is **stock packaging**.

Stock packaging is pre-made packaging in limited sizes and styles, as opposed to being custom made.

ABOUT

country), distributors are great for being able to provide your stock packaging products at a moment's notice.

In addition to stock packaging, distributors may also offer useful logistic programs for their customers that help to ensure an uninterrupted supply chain of packaging at regular intervals.

Important to note: If you are ordering massive amounts of stock packaging from a distributor, it may be worth buying directly from the manufacturer instead; the cost savings could be significant.

Packaging Design or Marketing Firm

Then there is the packaging design firm, or marketing firm. These types of packaging companies provide a lot of creative services that are often reserved for larger companies with deep pockets.

Packaging design and marketing firms create the aesthetics and structural design of packaging, offering branding and graphic design services. Some may broker the structural design if they do not have an in-house structural design team.

This type of company mainly focuses on the designing aspects and not the actual production unless they know good suppliers (manufacturers) in which case they can broker the entire packaging job from concept to finished product, if their client wishes.

Packaging Fulfillment / Co-Packer Company

If you have a product and the packaging to go with it, who puts the product inside the packaging? If your volume is large, I sure hope it isn't you! 😊

Enter the **packaging fulfillment company**.

Fulfillment is all about putting products into packaging to make them retail ready.

Once the product and packaging are together, the fulfillment starts. This involves putting product into tubes, boxes, jars, etc. This could also mean assembling and filling **retail displays (POP displays)** with product to make ready for shipping around the country. Fulfillment is typically done with hand labor and assistance from light machinery.

Some of these fulfillment companies also create the product for you, in which case they are more commonly known as **Co-Packers** or **Contract Packers**. Grocery stores often use co-packers to create and fulfill their private label brands. The "365" label of Whole Foods one such example.

Alongside these common types of packaging companies exist many variations and hybrid companies. These companies are an amalgamation, to one degree or another, of the packaging companies mentioned above.

For example, one could find a packaging manufacturer with a significant design center that can create the structure of the packaging and assist with graphics concepts and marketing. Or, a packaging distributor with a sizable brokering department that does a fair amount of custom packaging brokering.