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Ladies and gentlemen, thank you for standing by, and welcome to the Ball Corporation Third Quarter Earnings Conference Call. [Operator Instructions] As a reminder, this conference is being recorded, Thursday, November 2, 2017.

I would now like to turn the conference over to John Hayes, CEO. Please go ahead.

John A. Hayes  
Chairman, President & CEO

Great. Thank you, Jennifer, and good morning, everyone. This is Ball Corporation's conference call regarding the company's third quarter 2017 results.

The information provided during this call will contain forward-looking statements. Actual results or outcomes may differ materially for those that may be expressed or implied. Some factors that could cause the results or outcomes to differ are in the company's latest 10-K and in other company SEC filings as well as the company's news releases.

If you don't already have our third quarter earnings release, it's available on our website at ball.com. Information regarding the use of non-GAAP financial measures may also be found in the Notes section of today's earnings release. The release also includes a table summarizing business consolidation and other activities as well as a reconciliation of comparable operating earnings and diluted earnings per share calculations.

Now joining me on the call today are Scott Morrison, Senior Vice President and CFO; and Dan Fisher, Senior Vice President and Chief Operating Officer of Global Beverage. I'll provide some brief introductory remarks. Dan will discuss the global beverage packaging performance. Scott will discuss key financial metrics, and then I'll finish up with comments on our food and aerospace businesses and the outlook.

We achieved improved third quarter comparable operating earnings particularly, in South America, and despite lower performance in our North American metal beverage business in the latter part of the quarter.

First, given the devastation caused by the hurricanes, earthquakes and recent fires that raged near our Fairfield California facility, we're thankful that all our fellow coworkers, their families and our physical assets in Florida, Texas, California and Mexico are safe. Thank you, everyone at Ball and beyond, who lent a helping hand to their colleagues, families and communities who are personally impacted by these natural disasters.

Now candidly, the hurricanes were a perfect storm that ripped through Ball's supply chain late in the quarter and in two of Ball's largest North American regions. To put the hurricanes into perspective, while our Conroe, Texas and Tampa, Florida plants suffered some downtime, they recovered in relatively good shape. However, the downtime at our key customers' filling locations continued well beyond the aftermath of the storms and resulted in a combined 7 days of lost production due to lack of orders for us in the regions and meaningfully lower can sales.

For example, industry sales in the alcoholic category were down 12% in September, with much of that happening in Texas in the Southeast filler locations.

In addition, significant spikes in freight rates and out-of-pattern freight across our Southern and lower Atlantic plant network accelerated after the hurricane events and negatively impacted our results.
We understand that FEMA, for example, consumed nearly 10% of the available freight hauling capacity after the water subsided, and freight surcharges increased materially during this time.

Freight and fuel rates continue to be higher than before the hurricanes, and we are attempting to offset this high-cost freight expenses with existing pass-throughs and additional surcharges where contracts allow.

To state the obvious, this has been challenging and frustrating, and it has overshadowed an otherwise good performance across the rest of our company. We will push through, Ball folks always do.

Dan Fisher will provide additional color on the overall global beverage can business in a moment.

Moving on and highlighting some of the great work being done during the third quarter. We began to see results from some of the actions taken in our European beverage business with margins and profitability improving year-over-year.

Our South American beverage business experienced meaningful volume improvement with growth equally spread throughout all of South America. We further improved our G&A cost structure with the launch of our shared service centers in Querétaro, Mexico and Belgrade, Serbia. We transitioned beverage can production from Reidsville, North Carolina into Tampa, Florida and Rome, Georgia. However, this was impacted a bit during the hurricanes in Florida.

We significantly improved manufacturing efficiencies at our Canton, Ohio metal service center. We hired additional staff in our aerospace business to service existing and future contracts while staying on time and on budget with important facility expansions. And year-to-date, we acquired a net $85 million of our stock and paid out $93 million of dividends.

Our multiyear value capture plans are on course. And while we're disappointed with the third quarter performance of our beverage North and Central America [beverage] segment in light of the hurricanes, we have a clear line of sight to all of the synergies identified when we announced the transaction. Our plans are on track to capture cost savings and to grow comparable EBITDA cash flow and EVA.

And with that, I'll turn it over to Dan.

Daniel W. Fisher  
Senior VP & COO of Global Metal Beverage Packaging

Thanks, John.

Third quarter was quite dynamic from a demand and operational perspective, and John described it well.

Global beverage can volumes grew 2% in the quarter. The beverage can is winning across multiple geographies, and we continue to promote its sustainable qualities and product capabilities to our customers and consumers.

John outlined the U.S. weather-related struggles in the quarter, so I won't dwell on the short-term situation impacting global beverage results because it does not impact our three-year outlook for our beverage business.

Instead, let's focus our attention on the future opportunities to make disciplined growth investments while addressing our cost structure across each of our regional segments.

North American volumes were flat in the quarter due to domestic beer declines, and our larger presence with these customers was offset by growth in imported beer, craft, sparkling water and certain carbonated soft drinks.
In the middle of the quarter, we announced our U.S. network optimization plans with the closures of Birmingham, Longview and Chatsworth and the construction of the Goodyear, Arizona specialty can plant, which will provide annualized net savings of $50 million beginning in the latter part of 2018.

And as we move into the fourth quarter, we believe the severe impacts of the U.S. weather events are largely behind us, and our team is focused on executing on its network optimization plans, streamlining processes and systems to lower our cost structure and having certain headwinds like lower absorption, out-of-pattern freight and the PPI drag turn into tailwinds in 2018.

Our South American business had a very good quarter. Segment volume grew double digits led by Brazil. Ball's business benefited from our customer mix, our product portfolio and proximity to near-term market needs in the region. We anticipate further strength in Brazil and surrounding countries during the fourth quarter as we move into the busy summer selling season south of the equator.

We do, however, anticipate a higher level of competitiveness in 2018 and '19 as a competitor's new plant comes online.

The European business saw mid-single digit volume growth, which was in line with industry demand. Our ongoing plant construction in Spain is right on track. Our near and long-term initiatives to get segment performance back to where Ball's legacy business was, are moving at a reasonable pace, given the complexity of our transformation projects. The 40 million euro annualized cost savings from the recent Recklinghausen closures will really begin in a meaningful way in the fourth quarter.

The financial contribution from our Central American joint ventures in Guatemala and Panama were off slightly due to customer and production timing in Central America.

In AMEA, we are not without our challenges like the demand volatility we dealt with on a daily basis related to political and economic unrest across the Middle East and the carbonation tax in Saudi Arabia, leading to low demand in the region. The AMEA team has done an amazing job dealing with the complexity.

In the third quarter, our China volumes were down 6% versus the market growing 6%. Ball will continue to exercise a disciplined approach in this market.

In summary, our global beverage businesses posted strong results in South America and Europe with good demand trends and their ability to cover off the incremental year-over-year depreciation. It's been a tough couple of months for our North America and AMEA teams following the hurricanes and the Saudi carbonation tax. Everyone is driving to the best EVA outcome possible in 2017, and our multiyear thesis for acquiring Rexam is intact.

Looking forward, I feel good about where our global beverage business is headed. Growth in differentiated sizes, initiatives to more fully utilize our global shared service centers and having a team of global key account directors laser-focused on securing the best value possible for our tremendous product portfolio.

Thank you again, to all of our teams around the globe. With that, I'll turn it over to Scott.

Scott C. Morrison  
Senior VP & CFO

Thanks, Dan.

Comparable third quarter 2017 earnings were $0.52, which included $11 million of additional depreciation versus $0.48
in 2016. Third quarter comparable diluted earnings per share reflect solid operational performance except for North America beverage, lower corporate costs, lower interest expense and a lower tax rate.

Details are provided in Note 2 of today's earnings release and additional information will also be provided in our 10-Q.

Net debt ended the quarter at $7 billion, which is $450 million lower year-over-year though slightly above our plan due to the $95 million impact of a higher euro.

Net debt will continue to come down as we move through the remainder of the year. At current FX rates and given our euro debt exposure, our year-end net debt will likely be closer to $6.5 billion, and this will not impede our plan to return value to shareholders via share repurchases in 2018.

As we think about the remainder of 2017, we expect full year 2017 comparable EBITDA in the range of $1.7 billion to $1.75 billion, free cash flow to be in excess of $850 million after spending in a range of $550 million of CapEx, full year 2017 interest expense will be in the range of $290 million, up $10 million from our prior target of $280 million.

Full year and fourth quarter effective tax rate on comparable earnings will be in the range of 25% due to the geography of the earnings mix. And corporate undistributed will be in the range of $135 million for full year 2017, an improvement of $5 million from our prior guidance. The cash is showing up, and we feel good about where we're at.

And with that, I'll turn it back to you, John.

John A. Hayes  
Chairman, President & CEO

Great. Thanks, Scott.

Our aerospace business reported improved third quarter results, driven by solid contract performance and the continuing ramp-up on new contracts. The team at Ball Aerospace is winning. All that hasn't translated over to meaningful operating earnings improvement or contracted backlog yet. However, staff is being added weekly to be positioned for the ramp-up of these key wins. The aerospace team has done a wonderful job managing through the ever-changing winds of Washington, D.C.

We have an exciting launch of JPSS-1 scheduled for next week, and we remain more constructive today regarding the United States budgetary process and how it can help translate program wins into profitable earnings growth.

Now as we look forward, we are on track to achieve the financial benefits of the acquisition. Our aerospace business is poised for another bump-up. Our food and aerosol team has attacked costs and improved manufacturing efficiencies to Ball standards, and our metal beverage packaging businesses are preparing for further growth and cost-out initiatives.

When we closed on the acquisition in June of 2016, we expected 2017 [comparable] EBITDA to be in excess of $1.75 billion and free cash flow to be in excess of $750 million.

As mentioned in the press release, we will likely be short of our original 2017 [comparable] EBITDA goal due to our beverage North and Central America performance this quarter and the manufacturing inefficiencies we experienced early in the year in our food and aerosol segment, which is now behind us.

However, our cash flow continues to show up at or above our goals at that time despite higher capital expenditures. We still expect that by 2019, we can generate $2 billion of comparable EBITDA in an excess of $1 billion of comparable free cash flow.
So when we announced our intentions to acquire Rexam, we said that we would rapidly delever, capture synergies, spend any necessary growth capital on high-returning projects and then return our remaining free cash flow to our fellow shareholders through share repurchases and dividends. And that's exactly what we're doing.

And with that, Jennifer, we're ready for questions.

Question and Answer

Operator

[Operator Instructions] Our first question comes from the line of Ghansham Panjabi with Baird.

Ghansham Panjabi
Robert W. Baird & Co. Incorporated, Research Division

First off, in North America. Clearly, you guys are focusing across the company on free cash flow generation. But in that process, were you running maybe a little bit too tight in inventories, which was sort of exacerbated by the weather impact? I'm just trying to think about that dynamic potential.

Daniel W. Fisher
Senior VP & COO of Global Metal Beverage Packaging

Yes, I think that's a good question. I think in Q2, if you remember, there was growth in the 2% to 3% range. We benefited from that, and we entered Q3 at lower stocking levels than we anticipated heading into the year. And that problem, as you rightly pointed out, probably exacerbated some of the issues that we had in Q3 with the weather patterns.

Ghansham Panjabi
Robert W. Baird & Co. Incorporated, Research Division

Okay. And then just -- and your comments, Dan, on the PPI reversal for '18 versus what you saw this year. On that -- with that framework, I mean, you are going to see surcharges and freight still, a lot of your coatings companies are talking about higher coating prices, et cetera that they're trying to implement because their costs have gone up. Do you feel that you're going to be at price-cost parity in 2018 versus maybe what you saw in 2017?

Daniel W. Fisher
Senior VP & COO of Global Metal Beverage Packaging

Yes. And I think if you reflect back on probably some earlier comments in and around moving into this year, we've largely negotiated both metal and ODM contracts for the foreseeable future. And in each of our contracts, we try to lock end-to-end with our commercial contracts on the pass-through mechanism. So I don't see a tremendous amount of risk there.

The surcharge, as you said, we're still seeing accelerated freight rates in the Texas and the Southeast areas on the increased rates for freight.

The advantages though, and what we're laser-focused on, it's much like your earlier question, we're trying to get our stocking levels back at a place that we feel comfortable with, and that's been what we've been focused on for the last two to three weeks. And that's going to allow us to better manage out-of-pattern freight or mitigate that and really -- feel really good about what the North America team is doing in that regard.
John A. Hayes  
*Chairman, President & CEO*

Yes, I'll just add, Ghansham, on that very last point that some of our contracts, our commercial contracts are clear of what we can and cannot do with respect to passing through these higher freight charges. And we are, as Dan said, focused like a hawk on where we're able to go after that. And rest assured, we are going after that.

Operator

Our next question comes from the line of Anthony Pettinari with Citi.

Anthony James Pettinari  
*Citigroup Inc, Research Division*

In August, you announced the three bev can plant closures in the U.S. and the greenfield plant in Arizona. I was wondering if you can give us any more detail on the timing of the greenfield can plant, maybe CapEx costs, capacity, any kind of further color you can give. And then with the closures, is it possible to say how much net capacity you're reducing or any way that we can understand the total -- the impact of the total number of cans you're producing or the mix between 12 ounce and specialty?

John A. Hayes  
*Chairman, President & CEO*

Yes, why don't I attack the first -- the last part of the question, and Dan can talk about timing in -- of them. With regard to the overall capacity, we're going to be net flat to slightly down, but there's going to be a big shift because majority of the capacity we're closing is standard capacity and we're adding in a lot of specialty. Specialty continues to grow for us. The Southwest is an important market for us. And so you should expect net 12-ounce to be declining while specialty is increasing in that region. Dan, you want to talk about timing?

Daniel W. Fisher  
*Senior VP & COO of Global Metal Beverage Packaging*

And in terms of the specific restructuring time line, I think we've made some of these announcements public. But both Longview and Birmingham, we feel, end of Q2, beginning of Q3, would be the closure date. Obviously, we'd have to have capacity in place in the new facility in order to do that. Those plants are still online, and then Chatsworth will be toward the tail end 2018.

Anthony James Pettinari  
*Citigroup Inc, Research Division*

Okay. And then the timing and CapEx costs around Arizona?

John A. Hayes  
*Chairman, President & CEO*

Yes. What we've said in the past was we're going to be focused on -- in a range of about $500 million of CapEx as we go forward over the '17, '18, '19 time period.

And as you recall, our maintenance CapEx, we believe, to be about half that. So embedded in that $500 million assumption is things such as Arizona. So I don't think there's any appreciable more capital other than what we've said.

There's always a timing issue, and I think the slight raise in terms of what we expect for CapEx this year has to do with...
accelerating some of those -- some of that CapEx, particularly for Goodyear because, as Dan mentioned, we need to get the capacity up and going before we can start getting those savings out.

Anthony James Pettinari  
*Citigroup Inc, Research Division*

Okay. That's very helpful. And then, Scott, I understand this may be difficult, but is it possible to quantify the hit that you saw from hurricanes just from a dollar perspective in 3Q?

Scott C. Morrison  
*Senior VP & CFO*

Yes. The way I would look at it, if you looked at Q2 versus Q3, I would put it in kind of three buckets, a 1/3, 1/3, 1/3. And Dan touched upon the first one or one of them, which was the absorption coming on -- coming into that season with probably lighter inventories and we had pretty good growth in the second quarter. So that's about 1/3 of it. Loss of volume just from the decline from the hits from those that our customers experience to be about 1/3 and then 1/3 would be a combination of both freight rates and out-of-pattern freight during that period.

Operator

Our next question comes from the line of Scott Gaffner with Barclays.

Scott Louis Gaffner  
*Barclays PLC, Research Division*

Scott, just following up on that for a minute. Obviously, you took up the free cash flow guidance, but you also took up the CapEx guidance. So I would assume you're looking for a little bit better working capital management. Could you talk about maybe where you're getting some of that with these inventory absorption issues that you're discussing in the quarter?

Scott C. Morrison  
*Senior VP & CFO*

Well, Scott, it's separate from the inventory, but unfortunately, we probably had too light of inventory going into that busy season. But by the year-end, really, it's the EVA mentality across our businesses that's taking hold. We thought there would be good opportunities in our business and the new balance sheet that we have to get a lot of money out of working capital. And everybody from finance to the operations folks around the world have been very effective. And I think we're experiencing some of the benefits we expected to get a little sooner than what we originally anticipated. So we're really happy with where we're at.

Scott Louis Gaffner  
*Barclays PLC, Research Division*

So you're saying more on the receivables and payables side is what you would say on working capital?

Scott C. Morrison  
*Senior VP & CFO*

Yes. And then selectively, in other places and inventory. There's always -- it's kind of -- the magic is having the right inventory, right? So it's having the right inventory. But clearly, we're a little too tight in the second quarter coming into the third quarter. But by year-end, my comments were more focused on year-end.
Okay. And when we look at your realized...

**Scott C. Morrison**  
*Senior VP & CFO*

Go ahead, sorry.

**Scott Louis Gaffner**  
*Barclays PLC, Research Division*

I was just going -- I was going to move onto the synergies, but if you want to close out there first, that's fine.

**Scott C. Morrison**  
*Senior VP & CFO*

No, go ahead.

**Scott Louis Gaffner**  
*Barclays PLC, Research Division*

I was going to say there, on the realized synergies, I think you guys had mentioned $150 million for 2017 before. Do some of the issues in the third quarter, plus the manufacturing efficiencies in the first half of the year, does that -- maybe lower that number for 2017 but then we get those back in 2018?

**John A. Hayes**  
*Chairman, President & CEO*

Not at all. It was separate and apart, it had nothing to do with the synergies. And when you think about it, it had to do with -- in food and aerosol, I'm happy to report that, that is behind us. And you see that one of the things I didn't mention in my prepared remarks, but overall food can volumes were down about 10% in the quarter. Aerosol was roughly flat. And so you see very good cost performance in that business.

That, obviously, had nothing to do with the synergies. And then as Scott just pointed out in terms of the lost sales absorption because of the lower inventories we had and then the higher freight, both in terms of out-of-pattern and overall freight rates, that's what really affected it. So there has been no change at all to our synergies.

**Operator**

Our next question comes from the line of Brian Maguire with Goldman Sachs.

**Brian P. Maguire**  
*Goldman Sachs Group Inc., Research Division*

I just wanted to come back to the North American beverage volumes and trying to parse out the hurricane impact from it. As you might just be looking at the industry data, even if you threw-out the down 12% of September, the volumes would have been a little bit light kind of going into that event. So I'm just wondering if you could kind of comment on what you think the underlying trends are? Was there maybe some pull forward to earlier in the year when volumes were a little bit better than expected? And any kind of color you can give on kind of October trends now that we've maybe kind of worked through some of the hurricane issues?

**John A. Hayes**  
*Chairman, President & CEO*
Yes. Well, this is John. Why don't I take that first part? There was a meaningful impact and let me give you some statistics here.

Year-to-date through August, overall beverage cans in the United States were flat. In the month of September, they were down 6.5%. When you break that down between alcoholic and nonalcoholic, alcoholic, they were down 2.5% year-to-date through August, and they were down 12% in September.

And in the nonalcoholic side, they actually were up 1.5% year-to-date through August, and were down 2.5-plus percent in the month of September. So you can clearly see what happened.

I do think that there is a lot of good heads-up around these hurricanes in the days, if not week or two prior to it. There was able perhaps to be some stock up, although we don't see weekly data like that, I don't think it's appreciative.

But when you have total communities underwater for, I won't say weeks, but certainly a week plus at a time and you don't have the ability for your customers to be filling and you don't have the ability to be shipping either our product to our customers or our customer's to their distributors or retailers, it does have an impact, and I think those statistics show.

Brian P. Maguire
Goldman Sachs Group Inc., Research Division

And so just to summarize it, you think the outlook for North America going forward is still for sort of flattish to maybe up a little bit on volumes?

John A. Hayes
Chairman, President & CEO

Yes. I didn't answer your last question. I think in October, what we have seen is they have bounced back as the supply chain starts to normalize. And so we've seen back-to-normal improvement yet. But as we've said all along, I think longer term, we expect flattish demand in North America and we are happy to go through some of the trends, they've actually reversed because if you ever recall over last 5 to 7 years, actually beer cans have been up and soft drink has been down. It has reversed. We benefited candidly from some customers down in Mexico that have helped us in that whole segment, but I think it's no surprise, big beer here in the United States has been struggling. But cans have been doing well. Actually, it's been taking share from glass. It's just overall big beer in America has declined, and it's encouraging to see that soft drink has started to get some growth back in the can as well.

Brian P. Maguire
Goldman Sachs Group Inc., Research Division

Okay, great. And just for a follow-up question. Just thinking about the bridge from the, I guess, the midpoint of $1.725 of [comparable] EBITDA to the $2 billion in '19 implies you've got to grow about $275 million and without giving any kind of '18 guidance yet, just thinking about the cadence of that, it does seem like the '18, you'll have some duplicative costs from all of the plant consolidation. I don't know if there's any way to kind of quantify that or maybe verify that. And just thinking about that bridge, would you think it will be kind of equally split between the years or maybe a little bit back-end loaded because of that consolidation effort next year?

Scott C. Morrison
Senior VP & CFO

Well, I think we're good. We're right on track with kind of the three-year plan that we had when we acquired Rexam. And the footprint things that we're doing that we announced recently in North America, most of those don't take hold to the back half of '18 and into '19. The capital that we're spending and some of the growth projects that we have start to come
online next year in '18, then more in '19. So we're right on track with where we thought we would be.

John A. Hayes  
*Chairman, President & CEO*

Yes. And let's not forget we're experiencing duplicative costs now. I mean, we talked earlier in the year about the G&A and we're able to get in the short term, G&A out through the closure of Millbank and the closure of Charlotte, but then we are reinvesting and we just stood up in this quarter, two shared services centers, one in Serbia, one in Mexico. So we are having duplicative cost.

I think to Scott's point, what we've told people is we expect the next chunk of SG&A to come out as we transition many of these back-office services from the various plants and regional locations to these shared service locations. But it's hard work. There's a lot of process. There's a lot of process redesign. There's a lot of manual efforts going on right now that we are going to be looking to automate, and that's probably a second half 2018 event as well. So we are experiencing duplicative cost now.

Operator

Our next question comes from the line of Tyler Langton with JPMorgan.

Tyler J. Langton  
*JP Morgan Chase & Co, Research Division*

I think you said in your prepared remarks, you said in South America in 2018 and 2019, results could be impacted by more competition. I guess, give a sense of how big of an impact and is it more -- is it volume, is it margins? Just any details there would be helpful.

Daniel W. Fisher  
*Senior VP & COO of Global Metal Beverage Packaging*

I think at this point, it's probably too early to call. I think, from a supply-demand standpoint, we do know that a greenfield facility is coming up. We also know that a competitor is converting a steel plant to an aluminum plant. So largely, and we've said this historically, it's all dependent on the growth from a supply-demand standpoint and how quickly Brazil recovers.

Keep in mind, we're still down over the last couple of years in that marketplace, and we like what we're seeing in the last couple of months. But two months does not a trend make. So we'll have to wait and see on that. The volumes outside of Brazil are really strong, and we're benefiting from that. I'd say it's probably premature to make a call on exactly what else is going to transpire relative to '18, '19 on the competitive landscape. We do recognize, though, that supply-demand is something that we're laser-focused on as the new greenfield plant comes up.

Tyler J. Langton  
*JP Morgan Chase & Co, Research Division*

Okay, that's helpful. And just with Europe, I think, sort of EBIT excluding the higher depreciation was up around $10 million. I guess give a rough sense in terms of how much have been -- was volume-related, currency and just the improved operating performance.

John A. Hayes  
*Chairman, President & CEO*

Yes. I think it comes in three or four different areas. Number one, volume was up low single digits, as Dan has mentioned on this conference call in his prepared remarks, I think a little over 2% or so. So obviously, that helps.
Cost side, we're doing a much better job on that. We did inherit some contracts that had some pricing challenges for us as we went into 2017, so that's kind of a headwind relative to it, but to be up in that segment. As you said, about $10 million or so, given that we really haven't gotten much, if any, of the benefits from some of these larger strategic actions around the plant in Germany, et cetera. We have a long way to go. We recognize that, but we are on the path that we expected.

Operator

Our next question comes from the line of Adam Josephson with KeyBanc.

Adam Jesse Josephson

KeyBanc Capital Markets Inc., Research Division

John, just one on Mexico and your U.S. beer business. Just given that your U.S. business is so much larger than your Mexico business, can you just help me understand how one would fully offset the other?

John A. Hayes

Chairman, President & CEO

Well, I assume you're largely talking about beer because it's really what we do in Mexico. But when you think about it, you're right. In terms of big beer in the United States, that's been challenging. I don't have the exact numbers in front of me, but as I mentioned before, I know the can is taking share from other substrates just when the beer market is down 2.5% or so. It's challenging, particularly, when the base is so big. We have been a beneficiary in Mexico of a couple of customers, and we've been very strong in that region. But let's also not forget the craft beer side that we've talked about for a while where, I think in the third quarter again, we were up close to 30% in that segment. So you combine those three together, and that's why we're able to offset many of these things.

Daniel W. Fisher

Senior VP & COO of Global Metal Beverage Packaging

Yes. I would just add to that, Adam. I mean, it's pretty simple, right? The Mexico beer is growing at 8% to 10% and the craft is growing at 30% plus. So the magnitude of that growth pattern is how we're able to offset the 2.5% decline on the bigger base.

Adam Jesse Josephson

KeyBanc Capital Markets Inc., Research Division

And just one on Brazil. I know that the biggest brewer down there was -- beer volume was down about 5.5%. Meanwhile, the can market was up mid-single digit to the public. One of the public bottlers was up substantially in Brazil. So it seems like the packaging trends have significantly diverged from the trends of the under -- the biggest brewer there. Can you help me understand that or why that might be the case?

Daniel W. Fisher

Senior VP & COO of Global Metal Beverage Packaging

There's a couple of things going on. I think there's definitely a premiumization of beer that's a foot in that marketplace. Those folks are largely, if not exclusively, going into cans, and that market is growing. There has been a reversal of the biggest brewer in that market in terms of pushing returnable glass over the last couple of years back to stabilizing their pack mix because they're losing, in some instances, to these start-ups and the craft brew. So it's really a good mix for us. You're right that the literage is down, but there's definitely a movement afoot from the largest brewer all the way down to the smaller ones to move more of a pack mix to cans.

There is also, from a retail standpoint, quite a push from a sustainability point right now in the bigger cities that we're
benefiting from. So the sustainability message is definitely helping in the last 6 months. And we'll keep our eye on that. We'll obviously keep promoting that. But a lot of good packaging trends for the can right now and not only there, but in the other Latin American countries.

John A. Hayes  
*Chairman, President & CEO*

I want to just add on to that. We've been, candidly, pleasantly surprised by the can growth down in Brazil. I think we see all the trends that Dan just mentioned. But the economy, it's flattened out but it certainly hasn't improved. And so whether you look at GDP being flat now, it's better than down 3%, but unemployment is still too high. It's still in the teens, 11% to 12% range. And we really need the middle class to be growing to get that literage growing because think of the logarithmic opportunity we have if we can get the literage going and the pack share changing.

Adam Jesse Josephson  
*KeyBanc Capital Markets Inc., Research Division*

And just one last one on the synergy question. I know, you mentioned that you still expect to get the $150 this year. Are you at liberty to say what you actually realized in 3Q and what you expect to realize in 4Q?

John A. Hayes  
*Chairman, President & CEO*

No. We said from day one that we're not go into that level of detail because again, you end up parsing things out, and you hire a bunch of accountants to do what? It doesn't make us more money by doing that.

Operator

George Staphos, your line is open. Please go ahead.

George Leon Staphos  
*BofA Merrill Lynch, Research Division*

I didn't hear the introduction. I wanted to try to come back to the storm effect one more time, if possible. Scott, you'd mentioned three buckets and you looked at the 2Q to 3Q sequential effect or guided us to think about it that way. Could you give us some idea of what the storm effect was in total for the third quarter? Or how North and Central America performed relative to what your expectations might have been going into the quarter? And then the related question, as we parse your fourth quarter EBITDA guidance and what it comes out at relative to your 9-month, how is that relative to what your expectations might have been heading into July or August earlier this year?

Scott C. Morrison  
*Senior VP & CFO*

I think, well, the first part of that, I would have expected the third quarter to be close to the second quarter, that's why I used that as the reference point. So that's the magnitude that we're talking about. And then the 1/3, 1/3, 1/3 bucket still holds true.

On the fourth quarter numbers, we're still seeing some freight rates and things, but we expect to have no meaningful impact from the third quarter carrying over into the fourth quarter. We expect South America to be strong. And so all that kind of bakes into our fourth quarter expectations.

George Leon Staphos  
*BofA Merrill Lynch, Research Division*

Okay. Fair enough. That's helpful. And just I guess to close the loop, John and Scott, I apologize. So fourth quarter,
even with all these headwinds is more or less trending as you would have expected a couple of months ago. Obviously, there's a mixture of pluses and minuses, would that be a fair summation?

Scott C. Morrison  
Senior VP & CFO

Yes, I think that's fair.

John A. Hayes  
Chairman, President & CEO

Yes. The only caveat I would put on that George is that, when we said freight rates remain elevated. We're going after them where we can, but obviously, we're not saying, we've covered them off yet right now. So the longer they persist, a little bit more headwind we have in that. But that's the only thing. Volumes bounced back. The plants have bounced back. It's just that freights a bit higher.

George Leon Staphos  
BofA Merrill Lynch, Research Division

Yes, I appreciate you taking the question there. I want to come back to South America, Dan. And you mentioned a couple of things in the market in answering earlier question that prompted the commentary. But from what I recall, those are relatively preexisting conditions, both the conversion and the new plant. So is there anything else that's triggered your comment just to flag it for us heading into '18? Or is it just a fiduciary heads up you just wanted to make there?

Daniel W. Fisher  
Senior VP & COO of Global Metal Beverage Packaging

It's exactly a fiduciary heads up. And practically speaking, George, the new greenfield plant is coming online now. So it's not speculation or thesis. It's real. So that's the intent behind the comment.

George Leon Staphos  
BofA Merrill Lynch, Research Division

Understood. Two last ones and I'll turn it over. Can you comment at all either qualitatively or in some sort of quantified measure realizing it's kind of hard to do that, how your progress has been in terms of selling -- going back to the Investor Day, complexity and promoting value over volume in terms of how Ball goes to market relative to your customers?

Daniel W. Fisher  
Senior VP & COO of Global Metal Beverage Packaging

Yes. I think the downside to the hurricanes that we experienced is probably the upside to selling that through because we kept all our customers in cans it just cost us a heck of a lot of money to do that. That will enable those conversations to take a very different tone and a very real tone. And as these contracts start to roll off in the future, we will make it a point, George, to ensure that we have mechanisms built into these contracts that reciprocate the risk and the inefficiencies to both parties.

Unfortunately, in some of the instances, we've got historical contracts that don't allow us to do that as effectively as I think we could -- we can have those conversations now.

John A. Hayes  
Chairman, President & CEO

And George, specifically, just to give you some data points. Around the world, Dan mentioned, we had 2% volume growth around the world. We had almost 9% specialty volume growth around the world. And so it was a bit impacted
here in North America for the exact reasons Dan just mentioned, but we continue to push this. And it's part of our strategy.

George Leon Staphos  
*Bank of America Merrill Lynch, Research Division*

John, my last one and I'll turn it over. Aerospace, you mentioned a number of metrics in talking about the performance in the quarter. We have the backlog. You're hiring more people, which I guess is a leading indicator of more business down the road. Performance in the quarter was a little off from our model, but that's not here nor there. Is there a way you could take some of the points that you've mentioned and help us from where we sit, understand what the cadence on earnings and margin could look like? And for that matter, where the -- if your backlog is $1.25 billion [company stated backlog of $1.2 billion at end of 3rd quarter], what is the stealth backlog when you look at things that you've won but haven't been necessarily seen committed yet on funding?

John A. Hayes  
*Chairman, President & CEO*

Look, George, a couple of things. You've been a longtime student of Ball and our aerospace business, so this may not be, surprise you. But number one, you first have to follow the revenue growth and then just look at year-to-date, what we've seen on the revenue growth and I think that's terrific. Number two, as you all know, as we start up new contracts, the margin profile of those always starts lower than when you're finishing if you perform well because what you do is, as you accrue, you buy down the risk, you -- the technological risk subsides and you start to -- you're able to accrue more so the programs go on. We have a lot of new programs going in, and that's why the margin, if you look at just pure margin, it's come down. There's nothing in that other than we started a bunch of new projects as we go forward.

Lastly, with your question, we look at several different metrics. We look at funded backlog. We look at won, not booked, which is programs that we have won, but have not been booked because they haven't been funded. And then we also look at bids and proposals that are outstanding. And all of those are at record high for Ball.

I mentioned in my prepared remarks about we're much more constructive on the budget process right now. I know Congress or the House is putting out a tax plan now. But let's not forget, both the House and the Senate approved the budget. And I think that's very important because that gets the funding of some of these won, not booked.

So I don't want you to pin me down with the exact timing, but I would expect over the 6 to 9 to 12 months that you're going to see an improvement in our backlog and then you can see continued performance improvement as we translate these new and existing contracts, buy down that risk and perform on them like we typically do.

Operator

Our next question comes from the line of Anojja Shah with BMO Capital Markets.

Anojja Aditi Shah  
*BMO Capital Markets Equity Research*

I wanted to go to the food segment for a little while. You guys had double-digit declines in food cans and still managed to have an EBIT margin decline of only 10 basis points. I assume some of that is from the closures of Baltimore and Hubbard, Ohio, some is from the aerosol contribution or better manufacturing. Can you sort of just quantify the contribution of each in the quarter? And then along those lines, what you think a stable long-term margin would be for the segment?

John A. Hayes  
*Chairman, President & CEO*
Yes. Well, let me first by start to say, Hubbard and Baltimore, we've actually sold those facilities. We did not close them. And so actually we sold them and they were both profitable. So actually our results on an apples-to-apples basis perhaps might have been even a little bit better than what we suggested.

I think really, what you're seeing, to answer your question, it's difficult to parse out because many of our manufacturing facilities are comingled. But what I would tell you is the projects that we had in place over the last 12 months to close our West Virginia facility and bring up the expansion of our existing Canton facility. We had some short-term pains in the first and second quarter. We've worked those out, and the team has done a very good job and we are getting the benefits that we expected currently. We weren't in the first half of the year, but we are certainly currently.

As the aerosol business continues to grow and it is continuing to grow, I said it's relatively flat around the world. In North America, it was down a little bit. Again, we can't specifically determine why, but I think some of it had to do with these hurricanes. But in Europe, it was up for us and in India, which is a relatively new plant for us, that is growing very strongly.

So from a big picture perspective in that segment, as you continue to see our aerosol business growing and our food business, which is a small business and getting smaller in that, you should see margin improvement in that business.

Right now, I think we're in around the 9% year-to-date. We would expect that to improve. It all has to do with the amount of pass-through of steel and we do expect increases in steel going into next year, which means the margin may look lower, but the overall profitability of that segment ought to improve as we move forward.

Anoja Aditi Shah
BMO Capital Markets Equity Research

Okay. That's great. And then just going back to North America. Is there any sort of insurance recovery that you can claim for this out-of-pattern freight that could help you in the fourth quarter?

Scott C. Morrison
Senior VP & CFO

Yes, we're looking into that. The issue is these are two storms, and so we have insurance that covers both downtime at our facilities and then contingent downtime at customer's facilities, but you have to satisfy deductibles in both [storms]. So we're looking into that, but it's probably negligible.

Operator

Our next question comes from the line of Chris Manuel with Wells Fargo.

Christopher David Manuel
Wells Fargo Securities, LLC, Research Division

Just a couple of questions that haven't been touched on. First, you talked about the shared service centers, one down in Mexico, and one over in Serbia. Could you maybe give us a little color there as to what sorts of activities that you guys have folded in or what you're doing there? Or what the -- how we would -- should think about the opportunity for either cost savings or growth or what have you from those activities?

Scott C. Morrison
Senior VP & CFO

Sure. I mean, you can think about it, everything that doesn't involve making a can in a plant and selling it to a customer, all the back-office processes, AR, AP, a lot of planning things are a lot of just back-office, accounting things, payroll, we're looking at, we have a game plan and we're starting to transition those services from both North America and
across Europe into those shared service centers, and that will grow over time, and that's also part of that three-year plan that we put together when we decided to buy Rexam. So we're on track. And like John said, there's a lot of work that goes about to do that it's not simple and it takes a little bit of time, but we're happy with the progress we've made so far.

**John A. Hayes**
Chairman, President & CEO

Yes. Just to give a little color and context, it's not a big bang event that you go from zero to one and just put all those things in. And we have new processes, we have new systems, we have new people in place. And so each of those various work streams that Scott mentioned, in addition to many others, we have a specific game plan of when to roll those out.

For example, at the beginning of October, we turned on a payroll system on a global basis for the first time. Are we getting the benefits right now? No, because we're going through the typical debugging issues when you go from a bunch of different systems to one much more standardized system.

But now we have people in place in these two shared services to be implementing that, and we're able to relieve ourselves of some of the higher-cost G&A elsewhere. You're going to see over the next year or so a lot of this, I call it, two-yards-and-a-cloud-of-dust to use the football analogy because that's what it is, it's hard work. But you're going to see it and we really expect to start to meaningfully see the benefits as we get into mid-to late 2018.

**Christopher David Manuel**
Wells Fargo Securities, LLC, Research Division

Okay. That's helpful. And then second question I had for you, Scott, was, I mean, you repeatedly told us that you're on track for where you thought you are in respect to the big plan. Another component of that was you felt when you were in line of sight of that, you've talked about ramping up the share repurchase to kind of get most of cash flow, debt kind of being where it's wanted. I did note that looks like you picked up some share repo year in 3Q, but perhaps not quite the levels I would have anticipated. Kind of what's the outlook going forward? I mean, you still -- do you feel you're closer to line of sight at this point to kind of ramp up share repurchase or thoughts on capital allocation that way.

**Scott C. Morrison**
Senior VP & CFO

Yes, I think we're right on schedule, if not ahead of schedule. In fact, I think initially we said we probably wouldn't buy shares in '17 and we did. So in my mind, we are a little bit ahead of where we thought we'd be.

And as we look at next year and put our plans together in February, we'll tell you what our plans are for 2018 in terms of share repurchase, but I would expect them to be part of our capital distribution.

**John A. Hayes**
Chairman, President & CEO

And the only thing I'd add, we're also mindful, we have debt covenants. And as our leverage comes down, we have to make commitments. We're well within that, but we have to be mindful of that. So we're trying to be good long-term stewards of our capital.

**Operator**

[Operator Instructions] Our next question comes from the line of Arun Viswanathan with RBC Capital Markets.

**Arun Shankar Viswanathan**
RBC Capital Markets, LLC, Research Division
So when you announced the Rexam deal, you obviously had a plan in place and you've kind of maintained the $2 billion of [comparable] EBITDA, $1 billion of free cash flow, but things have changed and the beer market does look like it's pretty soft. So I just wanted to see if -- given the comments on the growth from today's [comparable] EBITDA of $1.725 or so in 2017 out to the $2 billion, maybe you can size those buckets of the $275 incremental what comes from maybe synergies, market growth, conversion to specialty or anything else that's worth talking about.

John A. Hayes  
*Chairman, President & CEO*

Yes. Let me kind of start and the others could jump in. Let's start and talk big picture about the various synergies and where we are with them. The footprint, we've announced upwards of $130 million of cost savings to footprint and we haven't gotten really anything year-to-date. Yes, year-to-date. And so that's all in the come. And we'll start to get in the fourth quarter. Dan mentioned Recklinghausen and Reidsville here in North Carolina and the United States, but then really going into 2018, so that's a big chunk of it.

We also announced on the sourcing side, we announced I think around the first quarter that we expected to slowly start getting it in the second half of this year and as we enter the fourth quarter, it will start to accelerate, but we're really going to get the full year benefit of that in 2018.

And then on the SG&A side, I just mentioned that we through our shared services that we expect to get a kind of 1/2 of our original expectations, but it won't be coming until mid-to late 2018.

You add all that up and you quickly see how we've gotten some good synergies. Now it's been the SG&A we've gotten some sourcing, and you can see in the progression. But really going into the fourth quarter and going in 2018, you're going to get a lion's share of that.

You layer that on top of aerospace growth that I talked about before, you lay it on top of the growth capital that Dan talked about and whether it's the new plant we have in Spain, what we're doing here in North America, some other regions as well, and that's why we remain confident of getting the $2 billion [comparable EBITDA] by the end of '19.

Daniel W. Fisher  
*Senior VP & COO of Global Metal Beverage Packaging*

And your initial comment on things have changed relative to beer. I would say from a demand standpoint, nothing has changed appreciably from our investment thesis with the exception of AMEA has been a little bit more volatile than we anticipated heading in. But big beer, big beer has been on a constant decline over the last two to three years, and that's why we've invested heavily in craft and other segments to offset that.

Arun Shankar Viswanathan  
*RBC Capital Markets, LLC, Research Division*

Okay, great. And then just as a follow-up there. Is there any way that -- what's your plans for growth, continued growth in Mexico and Brazil? I mean, would you consider -- are there opportunities for further kind of footprint growth? Is that, were to be possible?

Daniel W. Fisher  
*Senior VP & COO of Global Metal Beverage Packaging*

Yes. I think we've said historically, you think of Mexico in two different markets, right? The one that's export into the U.S., which were a big player. And then since the deal, we've acquired our Querétaro facility, which really handles both CSD and the local beer. That's been slower growth over the last year because of the FX dynamics and the impact to the end consumer and the domestic beer market. But we have stayed ahead and we've been working very closely with the
two biggest brewers for the export business and we've continued to stay ahead from an investment standpoint.

We built the Monterrey facility for three lines. We do have a third line that is running right now. And so I think we'll continue to respond to the growth of the big customers in and around the U.S. marketplace. That's really where our focus has been.

Where there are other opportunities and when the Mexican domestic market comes back and grows at that 6% to 8%, there will probably be opportunities for us. But right now we're laser-focused on keeping up with the demand of our existing customers into the U.S. marketplace.

Arun Shankar Viswanathan
RBC Capital Markets, LLC, Research Division

Brazil, any footprint?

Daniel W. Fisher
Senior VP & COO of Global Metal Beverage Packaging

And in South America, there's really a big movement afoot moving from returnable glass into the can, as we mentioned, and we've expanded our Argentina facility. We've continued to add capacity where it makes sense into Brazil. And so again, we're going to continue to stay ahead of that. We're in close contact with the big customers there. So I would expect that you would continue to see some capital going to work for organic growth opportunities in those two markets in particular.

Operator

Our next question comes from the line of Chip Dillon with Vertical.

Clyde Alvin Dillon
Vertical Research Partners, LLC

This is more for Scott, I suppose. I just wanted to make sure I didn't miss something on the bridge of where the free cash flow for the year is going to stay relatively the same, even though it looks like the CapEx is up a bit and the net debt is going to end the year a couple of hundred million higher than what you said last quarter. So could you help me bridge that, please?

Scott C. Morrison
Senior VP & CFO

Yes. Well, the bridge in the debt has to do with really FX rates, and we bought a little bit of stock in the third quarter that hadn't been in the numbers before, so that's why the debt is up. And then on the cash flow, we're getting working capital benefits sooner than what we had initially anticipated, so that's offsetting the CapEx increase. And it's offsetting the [indiscernible].

Clyde Alvin Dillon
Vertical Research Partners, LLC

Okay. And if we look at '18 and '19, how much more capital -- sorry, working capital benefit, I guess, you'd say or cash used will be a source in those years? What will be a good guess to use for our models?

Scott C. Morrison
Senior VP & CFO
I think it's really too early to tell. Our folks have been incredibly creative and aggressive at managing our working capital year-to-year. And so I think at this point, it's a little too premature to talk about '18 and '19, but we're on track to hit our '19 goals for cash flow.

Clyde Alvin Dillon  
Vertical Research Partners, LLC

Okay. And then last question, I guess more for John is, you mentioned that CapEx might be a touch lower in '18 or '19, like around $500 million, which, of course, does include a lot of growth capital in there. So I guess it's safe to say that as we go through next year, there will be more lines probably planned, at least to be under construction in those years or one of those years?

John A. Hayes  
Chairman, President & CEO

Well, yes. What I said was the $500 million was the original placeholder when we announced the transaction and included $250 million of growth capital. As time goes on, you get more specific plans around that. We'll adjust up or down. Dan had mentioned that we're in Mexico, we've been investing to keep ahead of the demand, down in South America we have some opportunities.

We'll let you all know when it's appropriate. But I think that is a placeholder. It may be a little bit more like we're doing this year, some of that's pulling ahead. But as opportunities come forward and we think they're good projects, we're compensated to earn returns in excess of 9% on that. If we think we can do it, we're going to do it.

Deborah Anne Jones  
Deutsche Bank AG, Research Division

Thanks for letting me get my question in here. Two questions. One quick one on Europe and then just one follow-up on Brazil. Even in Europe, if I adjust for the lower G&A sequentially, your margin still expanded. Could you just talk about what you saw there quarter-over-quarter? What kind of improvements you're seeing in that business?

John A. Hayes  
Chairman, President & CEO

Debbie, I think I might have mentioned it earlier, but the quick summary is we've had volume growth of 2%, 2.5%. We've had good cost and efficiencies at that plant level. We really haven't benefited from any of the strategic moves we made although we start to in the fourth quarter. And we also inherited some contracts that had lower year-over-year pricing, so that's been a bit of a headwind. So despite all that, we've been up and been able to improve margins.
Okay. Just on Brazil, spare with me for a second here because there are a lot of questions on this and you made that comment earlier in the prepared remarks. My sense is that the industry should see demands in Brazil at about 26 billion cans at the end of this year. And my math kind of suggest that the industry next year would operate a little over 90%, if you see some growth, maybe a little under if you don't. Is that fair to say and is that considered balanced in your view? Are there any kind of a regional nuances that we should think about? Because you haven't actually seen a decent amount of capacity flowing in, in the last year and this is the only can plant, I think, it's -- that's coming in next year. So I'm just trying to get a sense of what the real risk is here.

John A. Hayes  
*Chairman, President & CEO*

Yes. I think, in real short summary, it's the regional nuances that occur here. Brazil is such a large country. Its supply chain is very different and its transportation is very different than what you see in more developed markets. And so it really is region by region. And where the new capacity is coming in, we have facilities there and there has been some growth, which has been helpful. But the question that Dan alluded to is, is it enough growth to offset some regional supply-demand imbalances and it's premature to tell. The only thing Dan was signaling is the competitor's plant, we understand is up and running now. And so it does create a little bit of headwind.

Edlain S. Rodriguez  
*UBS Investment Bank, Research Division*

Just one quick one on Europe. I mean, yes, we've all seen some margin improvement, but it still lags in the other segments. Where do you see margins growing over the next year or two in that segment?

John A. Hayes  
*Chairman, President & CEO*

Well, what we said about a year ago, we said that we believe that there's 200 to 250 basis points of margin improvement in that business, but it will take some time. And we now closed at the end of July, early August, the Recklinghausen Germany facility. We really haven't seen that much of benefits of that. So you're going to start to see that and there are some other things in terms of G&A, the shared service concepts that we talked about earlier. It's Europe and you have to work through unions, you have to work through works councils and it just takes longer than what you would like to do, but we've got a three-year game plan to get back to the margins that we think ought to be achievable in Europe.

Edlain S. Rodriguez  
*UBS Investment Bank, Research Division*

Okay. And one last one on interest expense. Like what's driving the higher number? I think last quarter, you have said $280 and now it's $290. What's driving that extra incremental $10?

Scott C. Morrison  
*Senior VP & CFO*

Yes, the debt is a little higher.

John A. Hayes  
*Chairman, President & CEO*
Currency.

Scott C. Morrison  
Senior VP & CFO

Yes, and currency.

John A. Hayes  
Chairman, President & CEO

Jennifer, assuming there's no other questions. We should probably finish up.

Operator

We do have a follow-up question.

John A. Hayes  
Chairman, President & CEO

Okay, why don't we take one more.

Operator

Our question comes from the line of George Staphos with Bank of America Merrill Lynch.

George Leon Staphos  
BofA Merrill Lynch, Research Division

I'll make it quick, guys. Number one, John, we saw how the custom can helped the soft drink business grow value at retail and grow volume. Are the mega beer producers considering at all using some of these sizes to maybe stimulate growth as well? Or is it really kind of a mismatch of package type with the bread-and-butter consumer for that product? And then if you can remind us, in terms of cash outlays for the restructuring, should we expect there will be -- integration, excuse me, higher in '18 versus '17 on par, if you could remind us what the numbers are there?

Daniel W. Fisher  
Senior VP & COO of Global Metal Beverage Packaging

I think, George, from an innovation standpoint, yes. I think the big beer folks are being a little more thoughtful in terms of initializing innovation and different can sizes around a brand, to your point.

Some brands, it's important for innovation. I think one of the faster-growing products in the U.S. market, I think two of them you'll see them in sleek cans. So it's out there, it's afoot. And obviously, in many instances, where there is success, there are followers. So I would anticipate a lot more conversations in and around there, and not just in the U.S., all around the world. The sleek can is the can that is initially launched in some markets around the world. Vietnam, Brazil, et cetera. So I think, you're on to something there, and there are a lot of conversations happening in and around that. So probably more to come on that.

Scott C. Morrison  
Senior VP & CFO

Yes. And on the cash side of restructuring, yes, more of the cash will go out in '18 from some of the actions that we've already announced.
Jennifer, we could wind up, please.

Operator
Ladies and gentlemen, this does conclude the conference call for today. We thank you for your participation and ask that you please disconnect your lines. Have a good rest of your day, everyone.
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