

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

January 12, 2007

Date of Report (Date of earliest event reported)

OWENS-ILLINOIS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

1-9576

(Commission
File Number)

22-2781933

(I.R.S. Employer
Identification Number)

**One Michael Owens Way
Perrysburg, Ohio**

(Address of principal executive offices)

43551-2999

(Zip Code)

(567) 336-5000

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Information

On January 12, 2007, Owens-Illinois, Inc. (the "Company") announced that the Company has retained advisors to review strategic options for its plastics packaging business, including a possible sale. A copy of the Company's press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

OWENS-ILLINOIS, INC.

Date: January 12, 2007

By: /s/ Edward C. White
Name: Edward C. White
Title: Senior Vice President and

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated January 12, 2007

O-I TO REVIEW STRATEGIC OPTIONS FOR PLASTICS PACKAGING OPERATIONS

PERRYSBURG, Ohio, Jan. 12, 2007 — Owens-Illinois, Inc., (NYSE: OI) today announced that the Company has retained advisors to review strategic options for its plastics packaging business, including a possible sale. For the twelve months ended September 30, 2006, O-I Plastics had revenues of approximately \$770 million.

O-I Plastics, comprised of HealthCare Packaging and Closure & Specialty Products, is an innovation and technological leader in the fields of healthcare packaging and specialty closure systems in the U.S. The Company is a pioneer in the design, manufacture and sale of plastic packaging solutions for companies in the pharmaceutical, healthcare, food and beverage, household, chemical and personal care industries.

“Our plastics business is a very attractive franchise,” said Albert P.L. Stroucken, O-I chairman and chief executive officer. “We are conducting this review to explore ways of maximizing value for our shareholders.”

O-I Plastics has plants in the United States, Mexico, Brazil, Hungary, Singapore and Malaysia.

O-I has retained Goldman, Sachs & Co. as its financial advisor on this matter.

About O-I

Millions of times a day, O-I glass containers, healthcare packaging and specialty closure systems deliver many of the world’s best-known consumer products to people all around the world. With leading positions in Europe, North America, Asia Pacific and Latin America, O-I provides consumer-preferred products that enable superior taste, purity, visual appeal and value benefits for our customers’ products. Established in 1903, the company employs nearly 30,000 people and has more than 100 manufacturing facilities in 23 countries. In 2005, annual revenues were \$7.2 billion. For more information, visit <http://www.o-i.com>.

CONTACT: OWENS-ILLINOIS, Kelley Yoder, 567-336-1388.
