

Report Highlights CPG, Food Companies Leading and Lagging on Better Packaging

Caitlin Kauffman | Feb. 03, 2015



Image credit: As You Sow

Shareholder advocacy group **As You Sow** and the Natural Resources Defense Council (NRDC) have issued a new report examining packaging used by 47 fast food/quick service restaurant (QSR) chains, beverage companies, and consumer good/grocery companies and highlights the leaders and laggards in terms of its recyclability.

The report, *Waste and Opportunity 2015: Environmental Progress and Challenges in Food, Beverage, and Consumer Goods Packaging*, points out that few of the companies studied have sustainable packaging policies or system-wide programs to recycle their packages. More brand leadership is key to improving U.S. recycling rates and ensuring that packaging is manufactured and disposed of responsibly. The report emphasizes that non-recycled packaging wastes valuable material, pollutes oceans, lakes and rivers and fails to create new, green recycling jobs. Out of 47 companies, none received the report's highest "Best Practices" status.

As You Sow CEO Andrew Behar said: "U.S.-based companies that take responsibility for financing the recycling of packaging in scores of other countries fight that responsibility here in the U.S. without offering viable alternatives. This industry foot-dragging is one of the primary reasons we recycle only 14 percent of plastic packaging in the U.S. The more we boost recycling rates, the more we reduce the use of virgin natural resources and mitigate emissions that contribute to climate change."

Plastic packaging is the fastest growing form of packaging in the U.S., thanks in large part to the popularity of fast food and consumer beverages. Only 14 percent of that plastic is recycled, contributing to a total waste of \$11.4 billion in potential recycling revenue every year.

Companies were analyzed by types of packaging material used; whether those materials are recyclable, compostable, and/or made of recycled content; and what the companies are doing to promote recycling of their packages.

Among the key findings: Starbucks appeared as the only QSR brand to aggressively seek front-of-house recycling for part or all of its packaging, system-wide, while New Belgium Brewing, Coca-Cola, Nestlé Waters NA, and PepsiCo led the beverage sector. Walmart was applauded for achieving its commitment to reduce packaging across its global supply chain by 5 percent, and several additional companies that have committed to make their product packaging recyclable by 2020.

"We found that most leading U.S. fast food, beverage, and packaged goods are coming up significantly short of where they should be when it comes to the environmental aspects of packaging," said Conrad MacKerron, SVP of **As You Sow** and author of the report. "These companies have not sufficiently prioritized packaging source reduction, recyclability, compostability, recycled content, and recycling policies. Increased attention to these key attributes of packaging sustainability would result in more efficient utilization of post-consumer packaging, higher U.S. recycling rates, reduced ocean plastic pollution, and new green recycling jobs."

Though all sectors have room for improvement, the fast food/QSR industries are the most concerning. Plastic litter from takeout orders — including cups, plates, and straws — not only contribute to urban blight, but are often swept into waterways and oceans, where they partially degrade ecosystems and harm marine life. A Clean Water Action study in four Bay Area cities found that 49 percent of street litter was from fast food.

“Single-use food and beverage packaging is a prime component of the plastic pollution in our oceans and waterways, which kills and injures marine life and poses a potential threat to human health. Companies have an opportunity and an obligation to curb this pollution. Better packaging design and improved support and adoption of recycling are key to turning the tide on this unnecessary waste,” said Darby Hoover, senior resource specialist and packaging report project editor, NRDC.

The report also took into account some systemic issues hindering higher packaging recycling and composting rates. From limited access to curbside recycling and composting, technical glitches blocking black plastic containers, and contaminated recyclables, there is much work to do on a broader scale.

As customers and shareholders continue to push companies for more sustainable packaging, it’s expected that these demands, coupled with government legislation and technology advances, will propel sustainable packaging to a \$244 billion market by 2018.

SURVEY RESULTS: MANY LAGGARDS AND A FEW BRIGHT SPOTS
Companies need to do more to meet the **Four Pillars of Packaging Stewardship!**

FAST FOOD RESTAURANTS

Offer food and drinks in "dine-in" reusable serviceware
Good start, Panera and Starbucks!

Ramp up use of recycled content
Good start, Starbucks and McDonald's.

Don't use problem packaging like polystyrene foam that is easily littered and difficult to recycle
Stop using foam cups. Chick-fil-A!
Thanks for dropping foam, McDonald's and Dunkin' Brands.

Make sure that packaging is actually recycled
All fast food restaurants should have recycling bins and clear signage for both employees and guests. Compost bins too!
Good work, Pret A Manger — the only fast food restaurant offering recycling at all its locations! The rest of the fast food industry is lagging.

All fast food brands: if you use black plastic, work with local recyclers to be sure they have the technology to recycle it.

BEVERAGE CONTAINERS & CONSUMER PACKAGED GOODS

Develop more reusable and bulk options

Set goals to increase recycled content in packaging
Good start, PepsiCo, Walmart & Nestlé Waters.
You're lagging, Coca-Cola, Dr Pepper Snapple, Anheuser Busch, and Miller Coors.

Design packaging that is easy and safe to recycle: do NOT design packaging that can't be recycled
Good start, Colgate-Palmolive, Clorox, and Procter & Gamble.
Listen up, Kraft/Capri Sun — juice pouches can't be readily recycled!!

Set bottle and can recycling goals
Good work, Coca-Cola, PepsiCo, and Nestlé Waters!
You're lagging, Anheuser Busch, Dr Pepper Snapple, and Miller Coors.

Support programs (like producer responsibility) proven to increase recycling rates in other countries
Good leadership, Nestlé Waters and New Belgium Brewing.

Learn more at www.nrdc.org/business/consumer-goods-packaging.asp
www.asyou Sow.org/recycling