

McDonald's Will Ditch Polystyrene for Paper Coffee Cups

Robert Kropp | September 27, 2013

Advocacy group **As You Sow** scored a noteworthy triumph this week when McDonald's announced that it will replace environmentally destructive polystyrene foam coffee cups with paper cups at the company's 14,000 locations in the U.S.

A shareholder resolution filed by **As You Sow** in 2011 requested that the fast food giant report on its progress toward ensuring a "more environmentally beneficial beverage container." After the resolution gained 30 percent of shareowners' votes, McDonald's embarked on a pilot program in which polystyrene cups were replaced with paper at 2,000 stores.



Image Credit: waferboard via Flickr.

"The company has confirmed that the pilots were successful and that it will phase out foam cups at all locations in the coming months," **As You Sow** stated this week.

While congratulating McDonald's on its initiative, however, **As You Sow** also observed that there is "more work to do for the company to have a comprehensive packaging recycling policy."

"McDonald's has made a great start by phasing out foam," said Conrad MacKerron, senior vice president at **As You Sow**. "We hope they will also incorporate recycled fiber in the cups and develop onsite systems to collect and recycle food service packaging."

Corporate engagement with McDonald's by **As You Sow** took a route well-traveled by shareowner advocates to a satisfactory end result: filing a resolution leads to engagement, which leads to agreement.

As You Sow's engagement with General Mills, on the other hand, has had its share of frustrating detours.

In 2011, **As You Sow** filed a shareowner resolution with General Mills, requesting that the company keep up with some of its industry peers and adopt an extended producer responsibility policy. After the company agreed to meet regularly with stakeholders concerned over package waste, the resolution was withdrawn.

"In spite of constructive dialogue," **As You Sow** stated, "the company was not willing to articulate a policy on post-consumer recycling of packaging in the U.S. or to initiate new efforts to increase recovery of its packaging or recycled content."

As a result of the company's inaction, **As You Sow** and Clean Yield Asset Management refiled the resolution (PDF) this year.

"After two years of dialogue, General Mills continues to avoid the basic question of what responsibility it should bear for recycling packaging waste in the U.S.," MacKerron said. "The company currently contributes to mandated producer responsibility systems in nearly all of the European Union and several Canadian provinces, yet it has not agreed to sup-

port similar responsibility for its packaging in the U.S."

General Mills held its annual general meeting this week. The results of the resolution's vote have not been distributed, but the company stated that the resolution did not receive a majority vote.