

GOOD

You See Garbage, I See Value: Let's Make Recycling a Business a No-Brainer

Michael Washburn | Mar. 7, 2013

Did you know that only 34 percent of municipal solid waste is recycled in the U.S.? That's because recycling programs are inconsistent and vary in quality across the country. As a result, we are literally burying valuable commodities in landfills—to the tune of \$11 billion. You may see your local landfill as an eyesore, and you're right. We should be keeping material from ending up there. Manufacturers can't get enough of this treasure trove of value passing our homes in trucks—recyclable glass, plastic, aluminum, steel, and paper—so they can reuse the materials to make greener products.



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So, what if we could find a way to capture that remaining two-thirds of materials? With 100 percent of recycled materials captured and returned, we could close the loop and cut usage of raw materials.

As a pragmatic idealist, my quest at Nestlé Waters North America is to find ways to innovate the American recycling system that will be realistic, impactful, and visionary for future generations. As VP of Sustainability, I spend a great deal of my time considering what should happen to our bottles after people have quenched their thirst. I am convinced that the best answer today to our recycling woes is Extended Producer Responsibility (EPR).

The term may sound a little wonky, but the concept works. Producers are responsible for what happens to their product packaging after it's discarded. To Nestlé, it seems only logical that if we are offering the products, then we should shoulder the burden to make sure our bottles don't end up in landfills. They should end up back with us so we can recycle the plastic and extend the life of the materials. This should be true for all companies that use large amounts of packaging.

In the meantime, we are relying on recycled plastic to help reduce our footprint. As it stands now, our Arrowhead, Deer Park, and resource brands are all made with 50 percent recycled plastic. While that is progress, our long-term goal is to create bottles for all of our brands made from 100 percent recycled material.

However, until we develop a system that will inject a steady source of recycled material into the U.S. supply chain, we will not be in a position to do so. We see this challenge as closely tied to our country's low recycling rate that unnecessarily leaves precious resources buried in the landfill.

We also know that when brand owners take on the responsibility of recouping packaging, it gives them the extra incen-

tive to be more innovative in how they design their product packaging. A report on EPR commissioned by Greenpeace International, Friends of the Earth, and the European Environmental Bureau, supports this: “Those companies which take back their end-of-life products can design cleaner, more resource-efficient products if they are responsible for their own-brand goods.”

Forget Jumping on the EPR Wagon, We Need a Caravan

EPR is an effective system in Canada and parts of Europe, but can be improved for application in the U.S. Nestlé is spearheading the efforts to promote EPR as the premiere answer to the growing demand for recyclable plastic and printed paper packaging, the rising cost of raw materials, high taxes, and low recycling rates. In fact, we are steadily building momentum among various stakeholders including legislators, brand owners, trade associations, private haulers, municipalities, environmental NGOs, retailers, and industry leaders who have a mutual interest in raising recycling rates.

Consumers are also beginning to see the inherent value in having purchasing options that include products with more sustainable packaging, as well as recognizing the tax dollars they could save from our currently outdated and costly subsidized municipal recycling system.

Brand owners are recognizing that if they are accountable for the collection of recyclables, they have the capability to implement new and improved recycling programs so that their collection, transportation and processing procedures are more efficient.

If It's Broken, Fix It

Let us not forget we are in a fiscal crisis where state and local governments are already stretched for dollars due to unfunded mandates—recycling mandates among them. A recent study by Tellus Institute says we could create 1.5 million green jobs by 2030 if we increased our recycling rate to 75 percent. **As You Sow's** study on EPR, titled Unfinished Business, discovered that businesses waste over \$11 billion worth of recyclable packaging materials each year by ditching them in landfills. This means more virgin raw materials continue to be extracted even while we have valuable, reclaimable materials right under our feet, literally.

EPR is poised to completely revamp the way we recoup packaging in this country. To seize this golden opportunity, we need cooperation amongst both the private and public sector in order to extract the most good possible from this forward-thinking recycling model. We hope that other industry leaders will reimagine our landfills as gold mines as opposed to a place where precious resources go to die. We are also hopeful that passing EPR legislation in several states will create a surge in recycling rates and thus recyclable materials for the long haul.

We have a vision—we see EPR as a recycling goldmine. Will you join us in this treasure hunt?