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Consumer Packaging and the Environment: Report Finds Few Leaders and Many Laggards in Fast Food, Beverage, and Consumer Goods Industries

As You Sow & NRDC: Starbucks, McDonald's, Coca-Cola, PepsiCo, Nestle Waters NA, New Belgium Lead Pack; Increasing Amounts of Plastic Packaging a Major Contributor to Ocean Pollution.

SAN FRANCISCO, CA - While plastic packaging is the fastest growing form of packaging in the U.S. in large part due to the popularity of fast food and consumer beverages, only 14 percent of it is recycled. That contributes to an overall waste of \$11.4 billion in potential recycling revenue every year, according to a new report examining packaging used by fast food, beverage, and consumer goods/grocery companies. The report, issued today by As You Sow and the Natural Resources Defense Council (NRDC), reviews the packaging practices of 47 fast food/quick service restaurant (QSR) chains, beverage companies, and consumer good/grocery companies, and highlights leaders and laggards in the field.

Waste and Opportunity 2015: Environmental Progress and Challenges in Food, Beverage, and Consumer Goods Packaging (available online at www.asyousow.org/recycling and <http://www.nrdc.org/business/consumer-goods-packaging.asp>) finds that few companies have robust sustainable packaging policies or system-wide programs to recycle their packages. According to the report, far more brand leadership to boost lagging U.S. recycling rates and enhance sustainability of packaging is needed to help ensure that packaging is manufactured and disposed of responsibly. In addition to wasting valuable material, failure to recycle packaging contributes to the problem of pollution of oceans, lakes, and rivers, and it misses the opportunity to create new green recycling jobs.

Significantly, none of the 47 companies attained the report's highest "Best Practices" status.

Packaging practices in each industry sector were analyzed based on attributes including types of material used; whether those materials are recyclable, compostable, and/or made of recycled content; and what the companies are actually doing to promote recycling of their packages. Key findings of the As You Sow/NRDC report include:

Fast food/QSR company leaders and laggards:

- Starbucks and McDonald's were cited for "Better Practices."
- Dunkin' Brands, Subway, Chick-fil-A, Chipotle, Panera Bread, and Yum! Brands were categorized as "Needs Improvement."



- Arby's, Quizno's, Burger King, Wendy's, Jack in the Box, Dairy Queen, Domino's Pizza, and Papa John's Pizza were identified as "Poor" for showing little to no leadership on packaging sustainability, based on information they make public.
- The report shows that, with the exception of Starbucks, none of the QSR brands analyzed has aggressively sought front-of-house recycling for part or all of its packaging, system-wide.
- The small food chain "Pret A Manger," with 60 sites nationwide, is the only company that offers front-of-house recycling and composting at all of its U.S. locations.

Beverage company leaders and laggards:

- New Belgium Brewing, Coca-Cola, Nestlé Waters NA, and PepsiCo were cited for "Better Practices."
- Dr Pepper Snapple Group, Diageo, and Anheuser Busch were categorized as "Needs Improvement."
- Heineken, MillerCoors, Boston Beer, and Red Bull were identified as "Poor" for showing little to no leadership on packaging sustainability, based on information they make public.

The list of consumer goods/grocery companies examined in the report includes: Campbell Soup Co., Clorox Co., Colgate-Palmolive Co., ConAgra, Dean Foods, General Mills, Johnson & Johnson, Kellogg Co., Kraft Foods Group Inc., Kroger Co., Mondelez International, Nestlé USA, Procter & Gamble Co., Safeway Inc., Smithfield Foods Inc., SuperValu Inc., Target Corp., Unilever PLC, Walmart Stores Inc., and Whole Foods Market. Examples of consumer goods companies and grocers taking proactive steps on packaging include:

- Walmart was cited for achieving its commitment to reduce packaging across its global supply chain by 5 percent, and its goal of increasing its use of postconsumer recycled plastic in products and packaging by 3 billion pounds by 2020.
- Procter & Gamble has agreed to make 90 percent of its packaging recyclable by 2020.
- Colgate-Palmolive has agreed to make packaging for three of four product categories recyclable by 2020.
- Unilever committed to increase post-consumer recycling of its packaging 15 percent by 2020 in its top 14 global markets.

Conrad MacKerron, senior vice president and report author, As You Sow, said: "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. 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 postconsumer packaging, higher U.S. recycling rates, reduced ocean plastic pollution, and new green recycling jobs."

The As You Sow/NRDC report shows that while each of these sectors can do much more to increase recycling of the packages they produce, fast food/QSR industries are a particular concern because of the contribution of plastic packaging to plastic pollution in the oceans and other aquatic environments. 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 and harm marine life. A Clean Water Action study of street litter in four Bay Area cities found that the biggest source of street litter (49 percent) was from fast food.



Darby Hoover, senior resource specialist and packaging report project editor, Natural Resources Defense Council, said: “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.”

Andrew Behar, CEO, As You Sow, 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.”

OTHER REPORT HIGHLIGHTS

In addition to assessing individual brand performance, the study also analyzed systemic issues raising barriers to higher packaging recycling and composting rates, stating that:

- A far smaller portion of the U.S. population has convenient access to curbside recycling than previously believed.
- A technical glitch is preventing vast amounts of black plastic containers commonly used in QSRs from being recycled.
- Significant amounts of packaging can be made compostable, but composting needs to be significantly expanded in U.S. communities.
- Increasingly contaminated streams of recyclables are preventing readily recyclable materials such as plastic PET bottles from being more widely recycled.

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As You Sow is a nonprofit organization that promotes environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies. For more information visit www.asyousow.org.

The Natural Resources Defense Council (NRDC) is an international nonprofit environmental organization with more than 1.4 million members and online activists. Since 1970, our lawyers, scientists, and other environmental specialists have worked to protect the world's natural resources, public health, and the environment. NRDC has offices in New York City, Washington, D.C., Los Angeles, San Francisco, Chicago, Bozeman, MT, and Beijing. Visit us at www.nrdc.org and follow us on Twitter @NRDC.