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**Memorandum of Opposition**

**Connecticut Senate Bill 233, An Act Concerning A Reduction of Consumer Based Packaging Materials**

On behalf of the Grocery Manufacturers Association (GMA), I would like to take this opportunity to register our opposition to Senate Bill 233, An Act concerning a reduction of consumer based packaging material. The Grocery Manufacturers Association and its member companies support the overall intent of this legislation, to ensure a clean environment and an effective solid waste management system for consumers and taxpayers in the State of Connecticut. However, this legislation places an undue focus on packaging, where a sustainable waste management strategy would be much more effective. Further, it promotes regulatory and tax structures designed to simply shift the cost of solid waste management onto the backs of retailers, manufacturers and consumers of food, beverage and consumer products. While the legislation does attempt to set a benchmark diversion goal, the bill ignores strides in packaging technology, size and volume reduction, and distribution efficiencies, which are already contributing to a more efficient solid waste management process, and goes directly to retailers, manufacturers and consumers for a new funding model. GMA applauds efforts to support recycling best practices, consumer education, and efforts to reduce food waste, which is the single largest category of waste in U.S. landfills, and the biggest area of opportunity in Connecticut.

The Grocery Manufacturers Association is the voice of more than 300 leading food, beverage and consumer product companies that sustain and enhance the quality of life for hundreds of millions of people in the United States and around the globe.

Founded in 1908, GMA is an active, vocal advocate for its member companies and a trusted source of information about the industry and the products consumers rely on and enjoy every day. The association and its member companies are committed to meeting the needs of consumers through product innovation, responsible business practices and effective public policy solutions developed through a genuine partnership with policymakers and other stakeholders.

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In keeping with its founding principles, GMA helps its members produce safe products through a strong and ongoing commitment to scientific research, testing and evaluation and to providing consumers with the products, tools and information they need to achieve a healthy diet and an active lifestyle.

The food, beverage and consumer packaged goods industry in the United States generates sales of \$2.1 trillion annually, employs 14 million workers and contributes \$1 trillion in added value to the economy every year. In Connecticut, the food and beverage industry contributes at least \$1,804,402,000 per year in value added to the economy, employs at least 7,562 people, and operates 326 facilities.

S. 233 will assess the creation of “an industry-financed stewardship program for the collection, management and recycling of consumer packaging” similar to existing programs in the state, which exist for dangerous or difficult to manage materials such as electronics. These schemes are not only unnecessary for materials with existing recycling systems, such as consumer packaging, but also would create a new taxing power and a new bureaucracy to manage the oversight of manufacturers, distributors and retailers.

According to the United States Environmental Protection Agency, “product stewardship” is a product-centered approach to environmental protection. Also known as extended product responsibility (EPR), product stewardship calls on those in the product life cycle - manufacturers, retailers, users, and disposers – *to share responsibility* for reducing the environmental impacts of products. However, *real change cannot always be achieved by producers acting alone*: retailers, consumers, and the existing waste management infrastructure need to help provide the most workable and cost effective solutions. Solutions and roles will vary from one product system to another.

The U.S. E.P.A. appropriately recognizes the interdependence of retailers, consumers, manufacturers, and local governments in a successful product stewardship program. However, many EPR proponents inappropriately attempt to modify this essential interdependence by redefining EPR to be a government prescribed compliance program with the cost of the collection and recycling of products being borne completely by the manufacturer with fees paid to the state agency to administer and manage the program. This mischaracterization, which is clearly embodied in S. 233, is both disingenuous and overly simplistic. A study by the firm SAIC found that: EPR for packaging does not cause changes in packaging design, is not necessary to achieve high recycling rates, and is inefficient and only increases costs.

Manufacturers are committed to sustainability in all we do. GMA and the companies it represents work to enhance the lives of consumers by providing safe, affordable and nutritious products, while having a positive impact on our communities. We recognize the complex challenges of a growing world, and accept responsibility to consider our impact on the environment in all that we do. Applying sustainable solutions in all areas of our work, while continuing to deliver products that enhance consumers’ lives, is a top priority for GMA and its members. For example, the industry is taking steps to reduce greenhouse gas emissions, reduce the amount of material used in packaging, improve energy efficiency, bolster water conservation efforts, and source commodities from sustainable suppliers. GMA member companies are regularly recognized as leaders and

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collaborative partners by nongovernmental organizations, policymakers and consumers as we work together to preserve and protect our natural resources. Representative examples of these sustainability initiatives include, but are not limited to:

- Product cartons manufactured from one hundred percent recycled content.
- Retail displays manufactured from one hundred percent post consumer waste.
- Increased use of sustainably grown feedstock.
- Water re-use and conservation in manufacturing facilities.
- The use of plant based beverage containers, which reduces the use of fossil fuels.
- Product source reduction, which both prevents items from entering the waste system, and reduces green house gas emissions by reducing transportation weight.

Sustainability starts with source reduction. Source reduction activities have the effect of reducing solid waste generation, while other management alternatives deal with waste once it is generated. As such, U.S. E.P.A. has appropriately placed source reduction at the top of the municipal solid waste management hierarchy. While this legislation makes mention of encouraging the reduction of “not less than fifty per cent of the consumer packaging generated” through source reduction, the practical application of S. 233 is very focused on recycling and recovery, especially by volume. This will not only do little to encourage source reduction but also potentially hinder innovation- for example, the development of new, environmentally friendly materials, such as those that are based on plants, rather than fossil fuels, by focusing exclusively on recycling rates.

GMA member companies have been working on source reduction for decades and their commitment is illustrated in a survey of a representative sample of twenty-three major consumer goods companies. Between 2005 and 2009 these twenty-three companies implemented over 180 packaging improvement initiatives with approximately 80% of initiatives focused on weight (source reduction). In total, these efforts produced significant impact by avoiding over 1.54 billion pounds of packaging consisting of over 800 million pounds of plastic and over 500 million pounds of paper avoided. None of this progress would be considered in the measurable criteria laid out in the bill.

In addition to packaging weight reduction, several member companies have made efforts to increase the use of recycled and recyclable inputs. Approximately 50% of surveyed companies reported efforts to increase use of recycled inputs in their packaging. On average, this involved a 67% increase in the use of recycled paper inputs, and a 49% increase in the use of recycled plastic inputs for the projects reported. Innovation and the drive to reduce packaging materials have come from industry.

Manufacturers have made dramatic strides in source reduction; however, packaging is necessary for consumer protection and meeting consumer expectations. The consumer packaged goods industry has a commitment and responsibility to deliver safe and effective products to consumers. The primary function of our packaging is to protect the integrity of our food and consumer goods products through damage prevention and

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maintaining the highest standards for freshness and food safety. With that said, our commitment to sustainability, and more specifically source reduction, is well documented. This effort will continue into the future with a commitment from those previously mentioned surveyed companies to avoid an additional 2.5 billion pounds of packaging between now and 2020.

Recovery for recycling is only a small part of the larger sustainability issue according to the U.S. Environmental Protection Agency. Manufacturers have demonstrated their commitment to source reduction and continued investments in the other sectors are needed. For example, the United States has a well-established waste management system of about 1,910 landfills, 87 waste-to-energy plants, 9,100 curbside recycling programs, 580 material recovery facilities, 12,500 recycling drop-off centers, and 11 state container deposit programs. The focus should be on the continued improvement of the existing public-private waste system partnership to improve efficiencies, not a total makeover with EPR.

While packaging is the focus of S. 233, it is critical to note that a holistic approach to sustainable waste management is necessary if we are truly to reach a goal of a minimal environmental impact. This means addressing the challenge of food waste. Organic waste is the single largest category of material in landfills in the U.S. Sending food to landfill not only wastes the natural resources used to grow and transport that food, but food waste in landfills creates methane, a greenhouse gas 25 times more potent than carbon dioxide. This is why GMA partnered with the Food Marketing Institute and the National Restaurant Association to launch the cross-industry Food Waste Reduction Alliance (FWRA). This initiative of 30 leading manufacturing, retail, restaurant, and food service companies is working to reduce food waste at the source, increase food donation to those in need, and recycle unavoidable food waste to create energy or compost.

In Connecticut, according to the Department of Energy and Environmental Protection's 2016 Solid Waste Management Plan, released in February, there is far more opportunity in food waste than packaging. Page 22 of this report identifies what is potentially recoverable that is currently being sent to landfill in the state. According to DEEP, 40.3% of the recoverable material in the MSW stream currently being disposed of is compostable organics. Just 4.8% is recyclable containers and 1% is "other recyclable plastics."

In conclusion, manufacturers will continue their sustainability efforts (focusing on source reduction) but we should avoid layering costly new programs over the top of the existing system because it will simply divert private funds into meeting complex new regulatory requirements. The nation has a large cadre of public and private experts in waste collection, processing, recycling, and disposing of waste materials and each will continue to have individual roles and, along with the consumer that is at the very heart of the cycle, individual responsibilities in meeting our sustainability goals. For these reasons GMA respectfully opposes S. 233 and encourages consideration of a holistic approach to sustainable waste management.