



Testimony of Mike Elmer

CCNNE, representing Waterford Coca-Cola

In opposition to S.B. 995 An Act Concerning the Reduction of Certain Land-based Marine and Freshwater Debris, S.B. 996 An Act Establishing a Bottle Recycling Fee in lieu of a Refundable Deposit, and H.B. 5618 An Increase in the Handling Fee for Bottle Redemption Centers

Co-Chairs Kennedy, Miner, and Demicco, thank you for allowing me to testify today. My name is Mike Elmer, and I'm the Director of Capabilities for the Coca-Cola Bottling Company of Northern New England.

Waterford Coca-Cola is part of the Coca-Cola Bottling Company of Northern New England (CCNNE) with operations in Northern MA & Cape Cod, and spread throughout ME, NH, VT & southern CT & RI. CCNNE is has signed a Letter of Intent to acquire the remaining Coca-Cola operations in Connecticut by the end of the 3rd quarter of 2017 ... including the facilities in East Hartford and Waterbury.

Waterford Coca-Cola is a state-of-the-art Sales and Distribution Center with 100+ Full Time employees in the state, and Peak seasonal employment of 120+ associates.

We offer good jobs, and great careers at family-supporting income levels, with great health, wellness and retirement benefits.

We sell, warehouse, load and directly distribute the world's greatest beverages in CT. We offer high-demand, fast-turning, revenue-generating products to the 1,700+ businesses in the state with whom we are fortunate to do business.

As stewards of a brand and business that has been in Connecticut for more than 100 years, it is in our best interest to conduct business responsibly and transparently. We remain long-term focused in our business practices, and as such strive to be the best employer and business partner possible.

This partnership extends beyond our customers and employees to include the communities in which we do business.

It is in our best interest to be ever more resourceful ... to continue to reduce our operating expenses in times of rising costs.

- We continually optimize our delivery routing to reduce fuel usage,
- implement production efficiency upgrades to reduce electricity at our production and distribution centers,
- and clean and reuse water in our filling processes.

These are vital business tactics that save our company money, and enable us to continue to support great jobs and great wages in Connecticut.

These actions also allow us to continue to reduce our environmental footprint.

- We invested in blow-mold technology in 2012 & 2016 to inflate bottles in our plant instead of shipping empty bottles in, thus we are able to avoid 3,000 annual truck deliveries per year.
- We recycled 50,000 lbs of the thin green plastic strapping that secures the cardboard boxes we receive... this was processed by a company in Portsmouth, NH and became source material for New Balance Sneakers.
- Our ½ million sq. ft. production facility receives 6,000 trailerloads of materials each year. We are Zero Waste at this facility with a 95% recycling/reuse rate. The remainder is incinerated at a trash-to-energy facility.

CCNNE is proud of its management of deposit containers since the inception of the bottle bill in Connecticut, as well as in the other states where this legislation

exists. We apply the same resourcefulness in our handling of the millions of pounds of aluminum and plastic scrap that we process, and see that it is handled as locally as possible. Much of the bottle plastic is processed in the Northeast and returns to New England to benefit companies like Polartec and New Balance.

We understand too, the enormous carbon footprint and expense associated with the way we make special collections for these materials. Our trips to collection points and transport of the material to sell are extraordinary costs that bottlers in the 40 states without a bottle law are not faced with. Though our industry sells tens of millions of dollars in bottle bill scrap from Connecticut, the revenue does not come close to balancing the inherent expense our industry faces in fuel, energy and handling fees ... nor does it compensate for the sub-optimization of our delivery routes and warehouse space, as a lot of time and space is required to handle containers for processing.

In short, we see the bottle bill as a grossly inefficient method of collecting a very small slice of the total recycling opportunity. Further, bottle/can redemption inhibits the ability of Connecticut towns to improve local recycling of all materials by depriving them of the tens of millions of dollars in scrap revenue, and sending the message that some plastic, glass and aluminum should be recycled differently from other plastic glass and aluminum. This is not making recycling easy.

Our industry has been invested in bottle redemption for decades. We are committed to responsible recycling, but we see a better way. We are willing to, and hope to play a role in the transition from the current system, to a comprehensive solution that increases recycling of all materials.

I invite the proponents of increasing all recycling in Connecticut to collaborate with our industry to further develop this type of comprehensive solution that will show real recycling improvement in our state. Just as we continue to invest for the future, we hope Connecticut will do so by transitioning from the limits of bottle/can redemption toward comprehensive recycling solutions that will recover more and cost taxpayers and the environment less.