Good intentions, Unintended consequences

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Sustainability goals & consequences

Sustainability goals can drive unintended consequences

Goals that drive unintended consequences:
1. Box recycle content requirements
2. Forest certification requirements
3. Multi-use carton requirements
Sustainability goals & consequences

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Box recycle content requirements

The good intentions of targeted recycle content

- I believe 25% of corrugated is recycled
- I can change demand by requiring more recycle content
- I believe recycling increases as demand increases
- I believe more recycling equals less landfill waste
What is the average corrugated box recovery rate?

91%

* Source: AF&PA for 2012
How many times can a box be recycled?

4 - 7
Box recycle content requirements

True sustainability maximizes the efficiency of the supply chain

- Changing demand does not impact supply
- Economic impacts of meeting your demand
- Regardless of recovery rate, new fiber is required
- Supply chain impacts of meeting your demand
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Goals that drive unintended consequences:

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The good intentions of designated forest certification

- I believe US forest acreage is declining
- I believe paper demand is a cause of deforestation
- I believe certification drives forest sustainability
- I believe requiring a specific certification grows trees
By what percentage has US forest acreage decreased in the past 100 years?

0%
Approximately what percent of North American forests are certified?

30%
Forest certification requirements

- Landowner economic incentives promote healthy forests
- Paper based packaging is an economic incentive for landowners
- Certification is a good measure of trust and verification
- Requiring one method disrupts a supply chain’s efficiencies

*Source: Forest2Market
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Goals that drive unintended consequences:
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Multi-use carton requirements

The good intentions of multi-use cartons

- I believe requiring multi-use is good for the environment
- I believe multi-use cartons are less expensive
- I believe multi-use cartons deliver fresher food
Of 12 environmental categories measured in LCAs, how many favor multi-use cartons?

In most cases, there’s no clear environmental advantage for multi-use cartons

*Source: Lifecycle Assessment of corrugated containers and reusable plastic containers for produce transport and display, Quantis, October 2013*
What percentage of multi-use produce cartons were not properly sanitized in a University of Guelph study?

64%
Multi-use carton requirements

True sustainability maximizes the efficiency of the supply chain

- Long shipping distances drive unintended consequences
- Multi-use cartons’ weight reduces freight efficiencies
- Higher freight costs impact your bottom line
- Food safety concerns exist
- Multi-use cartons may be used for unintended purposes
Sustainability goals & consequences

- Recycling is good, but not the only solution
- US forests are healthy, and acreage is growing
- Reducing supply chain efficiencies yields unintended consequences
- Multi-use cartons may increase freight costs and food safety risks