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PACKAGING IN CONTEXT



Packaging – the great Demon?

“I want to raise awareness of the unacceptable amounts of food packaging waste”

“It is important to achieve a further reduction of food packaging without compromising food safety”

EU Health Commissioner
September 21st 2011

John Dalli



UK Packaging Facts



10 M MT packaging used per annum

GDP has risen by 28% in the last 10 years

The amount of packaging has risen by only 8%.

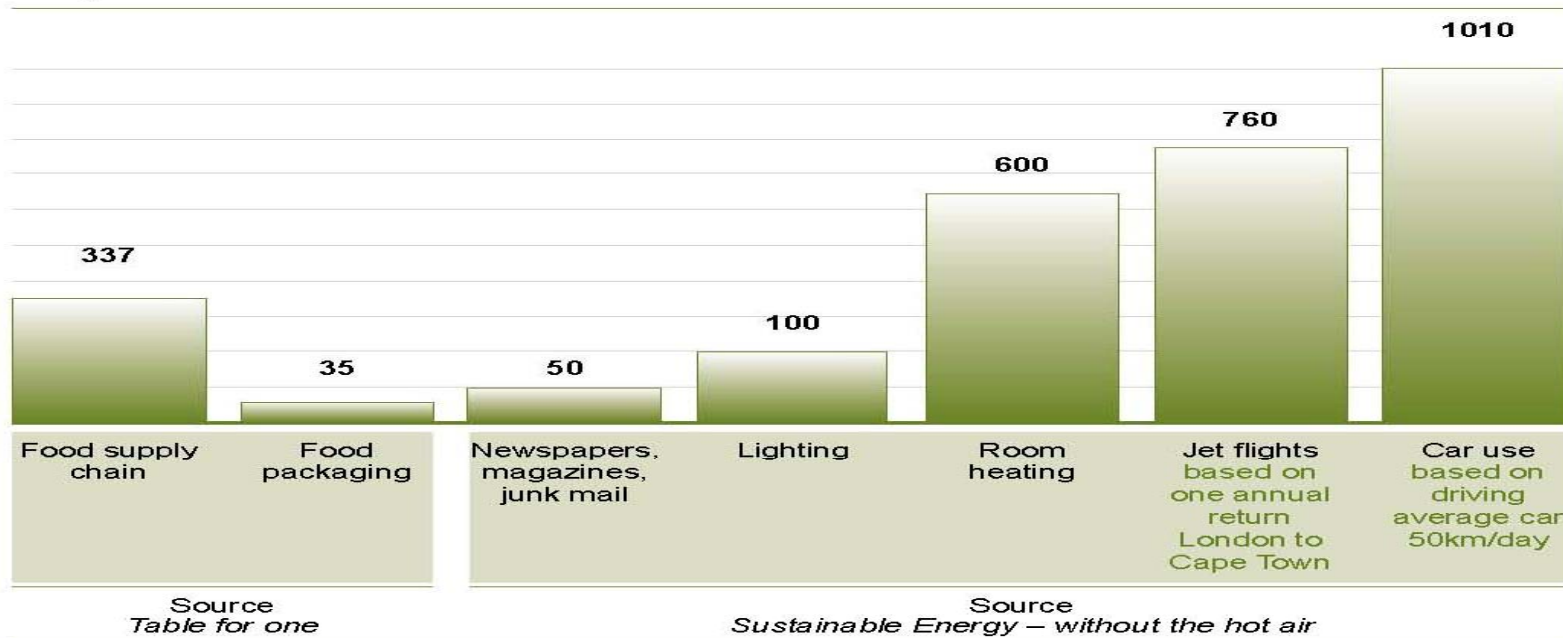
Packaging is less than 3% of all solid waste

60% of it is recovered and recycled each year

£1.5 billion spent by business in UK alone last 10 years to double the amount recovered and recycled

How does packaging fit into our real Energy Use?

UK energy consumption
MJ / person / week



The figures are expressed using a common personal metric (per person) of megajoules per week (MJ/wk). A megajoule is roughly the energy an 'energy saving' lightbulb would use if left on for a whole day (or five hours for the equivalent 'old' style lightbulb)





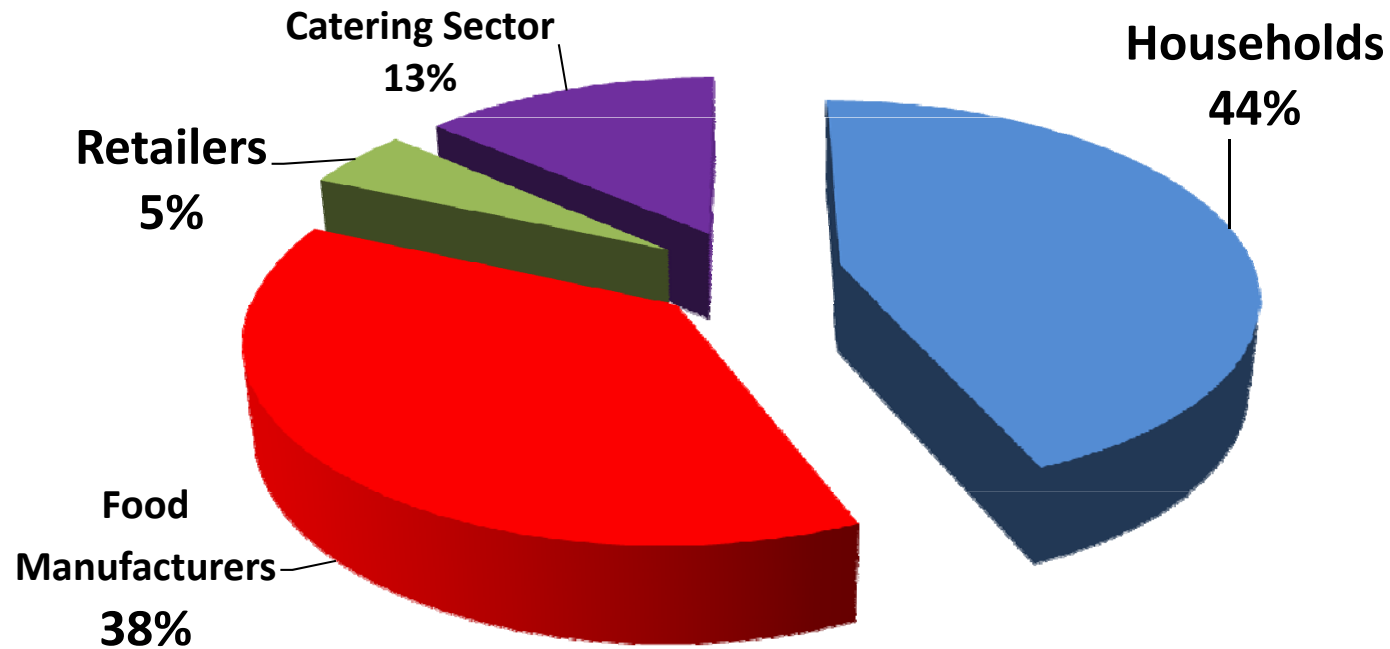
Perception: Packaging is a major environmental problem

Reality:

- Annual household purchases of products weigh 3 MT & require 110 GigaJoules of energy to produce - Packaging protects that investment
- Less than 200 kg of packaging is needed & the energy used to make the packaging is just 7 GigaJoules
- That's 6% of the energy used to produce the goods.
- Food wastage in developing countries can be as high as 50% - worldwide average is 20%*
- Thanks mainly to packaging only 3% goes to waste before it reaches the shops in W. Europe
- BUT we waste nearly a third of food in the home!

Packaging is a cost to industry so there is a commercial incentive to keep it to a minimum





The Important Food Waste Challenge!



About UK food waste

Food waste is a major issue. We throw away 7.2 million tonnes of food and drink from our homes every year, the majority of which could have been eaten. It's costing us £12bn a year and is bad for the environment too. (89M MT in Europe – WRAP 11)

The real answer

If invented today, packaging would be viewed as a green technology & we would defend it rigorously!



Quotation from Draft ISO Norm 18604

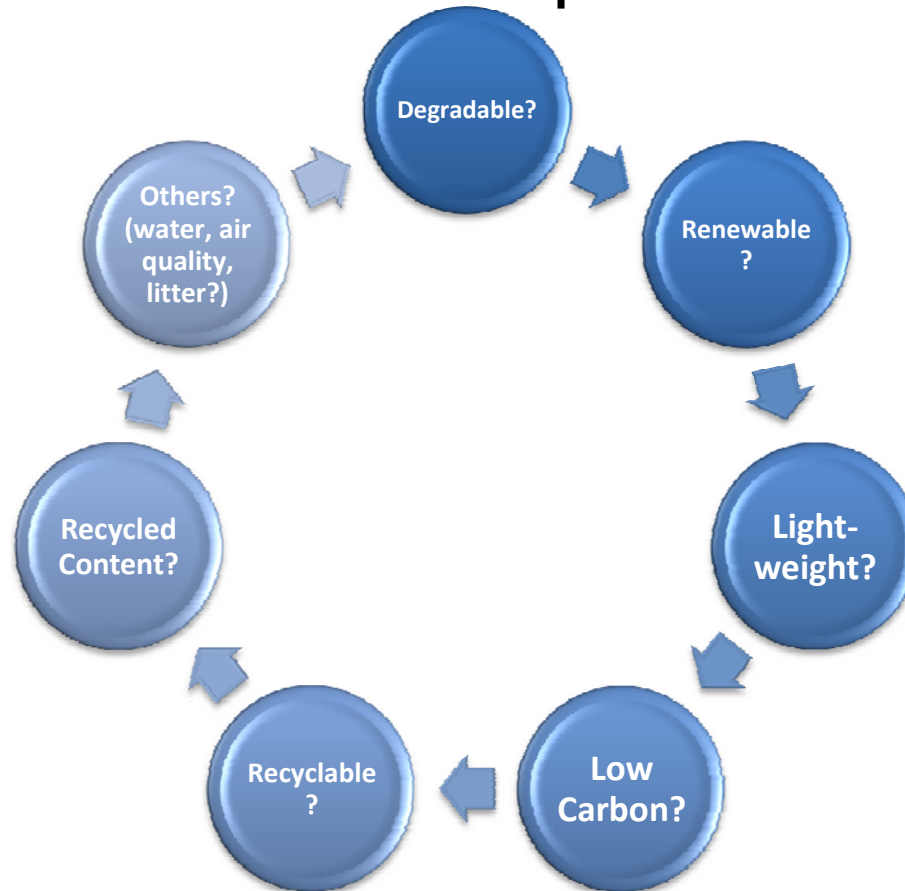
Packaging plays a critical role in almost every industry, every sector and every supply chain. Appropriate packaging is essential to prevent loss of goods and as a result decrease impact on the environment. Effective packaging makes a positive contribution towards achieving a sustainable society by, (e.g.):

- a) meeting consumers' needs and expectation for the protection of goods, safety, handling and information;
- b) efficiently using resources and limiting environmental impact;
- c) saving costs in the distribution and merchandising of goods



At the same time, we must respond to consumer perception.....but what does this mean?

A Host of Options



Degradable

We can talk about Bio-degradable or Oxo-degradable but.....

- Consumers can't
- Industrial composters won't
- Local Authorities must not



- Largely ignored by retailers, who have rehearsed the same arguments and reached the same conclusions
- Some limited traction in Foodservice where its seen as a solution for litter



.....which of course it is not!

Renewable Materials

Superficially attractive “lets make our packaging from plants”

- Butlimited success to date...
 - No wet strength
 - No barrier
 - Not tough
 - No thermal stability
- Often have to be used in combinatio eg with plastic
- Have high cost and (usually) high carbon content
- Displace food in favour of packaging
- Frequently not GM free



.....Possible traction for Braskem route

Carbon and Weight



- Carbon and weight are powerful and important drivers & usually linked
- The real problem is Global Warming
- Constant drive for weight out
- But a growing realisation that carbon might be more useful a measure

.....Carbon is hugely difficult to define accurately

Recyclability



- A growing European Infrastructure
- Dominated by plastic bottles
- Complexity of films
- Other rigids are getting collected
 - PET trays
 - PP pots tubs and trays
 - PS yoghurt pots and trays
- But....Consumers recognise hard plastics, soft plastics and polystyrene!
- Driving quality downhill creates threats to existing systems
- Beware of Recyclability for its own sake - impacts on cost, weight, carbon and choice

.....Importance of accepting Innovation & other drivers



Recycled Content

- Recycled plastics becoming widely used
- National & EC Regulation 282/2008
- Restricted palette of options - PET
- Delivers significant real carbon savings
- Important message to consumers
- But still so difficult that EFSA has only ruled on a limited number of processes in the last 3.5 years
- But perfectly possible to process HDPE, PP and PS
- Challenging Issues of food safety
.....Ultimately an important tool for greener packaging





What are we learning?

Environmental themes will continue to shape consumer choices

- Nonetheless we have to continuously make the case for packaging and vigorously defend its core importance in saving food waste and protecting the Environment
- We have to challenge the assumptions of the ill-informed & stress the conflicts between the various “green” attributes
- Recycling and the use of recyclate has a real place in reducing carbon but.....it has to be done well and responsibly or we will run up against other problems of food safety that can block our progress
- LINPAC Packaging has a clear view of the best way for packaging and has invested in supercleaning of its recycled materials to deliver environmental performance



The Consumer Remains King!





THANK YOU!
FOR MORE INFORMATION
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