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BY RANDY HOFBAUER

LEAN, MEAN AND 'GREEN'

As packaging claims such as "sustainable" and "recyclable" become vaguer and misused, consumers and manufacturers alike are looking to write the definitive sustainability rulebook.



Even though consumers are holding on tighter to their pocketbooks these days and making more compromises, that doesn't mean they no longer care about how their purchases affect the environment. In fact, when it comes to sustainable packaging, cost is figuring in less and less. According to "Green Products, Packaging and Sustainability," a June 2008 report from Chicago-based Mintel International Group Ltd., the price difference between standard products and "green" alternatives continues to narrow in both the national brand and private label arenas.

Still, Anne Bedarf, project manager with the Sustainable Packaging Coalition (SPC), says value trumps cost.

"We often forget that packaging's there for protection to keep [the product] fresh, or if it's not food and beverage, keeping it protected," she says. "You're protecting the investment cost-wise and environment-wise."

THE GOLDEN RULE

Protection is the first and foremost rule of sustainability — a package must protect a product; otherwise both the product and its package go to waste. According to Bob

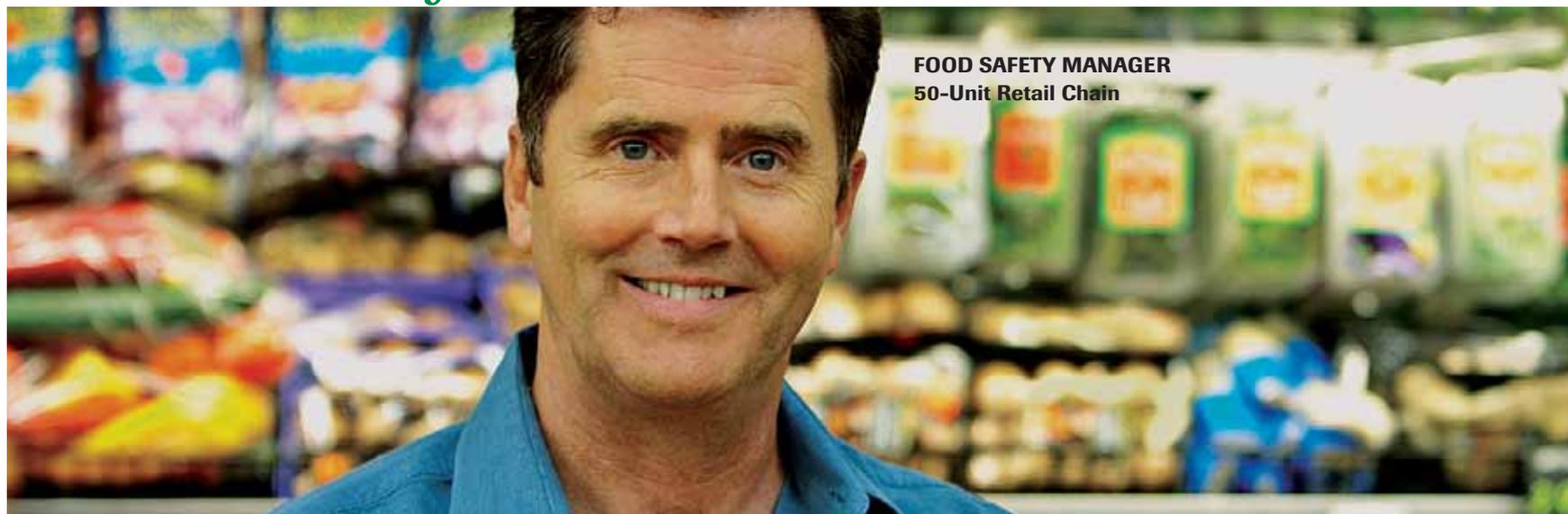
Lilienfeld, editor of *The ULS (Use Less Stuff) Report*, a newsletter aimed at spreading the benefits of source reduction, packaging accounts for less than 10 percent of a product's total environmental impact. Therefore, packaging must protect its contents while educating the consumer on how to get the most functionality from those contents. Otherwise, overall impact will be much higher than 10 percent.

"This is the true definition of sustainability, and will be especially critical when it comes to minimizing the negative environmental impacts associated with food products," Lilienfeld adds.

Packaging to protect might seem like old news, but in the case of sustainability, old news isn't necessarily no news. In fact, Bedarf points to Wal-Mart's store brand concentrated detergent as an excellent example of sustainable packaging, but claims it never caught on properly.

"This was an old idea that didn't gain consumer attraction because consumers [were] being kind of paranoid [that] they weren't getting the value and not understanding that a lot of the product is water," she says. "So, I think it really shows how revisiting old ideas can be beneficial."

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SUSTAINABILITY SKEPTICISM

Just as voters had their fair share of skepticism regarding politicians' promises this past election year, consumers are growing more and more skeptical of packaging's green claims. And as honest as a company might be about its packaging's eco-friendliness, the amount of greenwashing out there is enough to make any consumer cynical. That's where the Federal Trade Commission (FTC) has stepped in.

According to the January-February-March 2009 issue of *The ULS Report*, a package claim of "recyclable" or "more sustainable than ever before" probably doesn't mean much, if



anything. In fact, such claims might be misleading and subject to fines or legal action. The FTC currently is reviewing its "Guides for the Use of Environmental Marketing Claims," commonly known as the "Green Guides." Green claims should be as specific as possible, and they should not be explicitly or implicitly overstated. As consumers become more skilled in spotting bogus green claims, private label retailers can use these guidelines to point out the sustainable truths for which consumers are searching.

Bedarf believes these guidelines are good — in the drive to give a good marketing story, a company must make sure it is being truthful and transparent.

"There are tons and tons of violations that are not really being enforced," Bedarf notes. "For instance, something says the package is recyclable. Well, is it really? If the majority of communities do not have access to recycling that material, then in essence, it's not recyclable, even though technically everything is recyclable."

Bedarf believes there is no such thing as sustainable material out there, only a sustainable system in which material flows. The solution, then, is in developing a closed-loop system with whatever materials are being used. This is how retailers can take initiative with their own

products — collaborating with suppliers to take action and create such a system, then educating their customers by explaining the system on store brand product packaging.

For example, Austin, Texas-based Whole Foods Market Inc. recently teamed up with Waltham, Mass.-based Preserve Products, makers of recycled polypropylene-based personal care and household products, to begin incorporating the Preserve Gimme 5 program. The program accepts polypropylene for recycling and reuse by Preserve.

Preserve claims that because few communities have polypropylene collection programs, Gimme 5 is for "recyclers with good intentions, but no place to go with their yogurt cups and other [polypropylene] plastics." Whole Foods says it plans to have collection receptacles at various locations across the country.

USE LESS STUFF

To further consumer education and involvement, Lilienfeld has decided to attach the ULS name to a logo consumers will be able to trust, realizing that perfectly legitimate green packages get lost amid a sea of greenwashing.

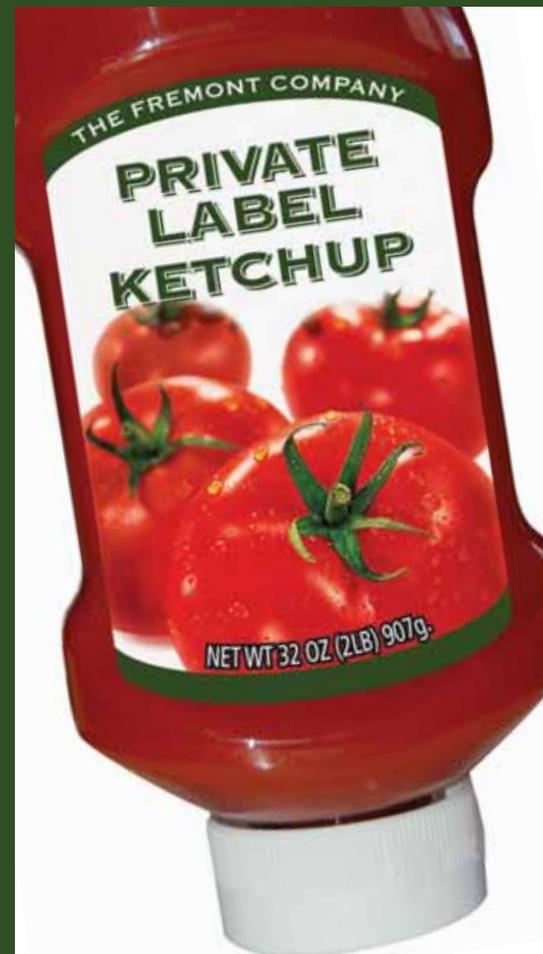
In April, he launched the ULS Sustainable Products Program, which allows a company to use the ULS logo on a package if it proves either a 20 percent reduction in energy consumption during product manufacturing, transportation and/or use; a 20 percent reduction in the weight of primary packaging with no increase in secondary packaging weight; or a 20 percent increase in product efficiency due to concentration, extended use or increased functionality. A company needs to supply the program with relevant data that back up its claim. The claim also must meet FTC guidelines, and the program's advisory board reviews the data.

The program does not earn licensing royalties based on sales volume and already has generated some interest in private label. Lilienfeld says he already is working with one private label supplier in the household cleaning category to see if it qualifies based on its environmental statements.

EIGHT ECO TRUTHS

So, in the end, are we any closer today to defining sustainable packaging than we were yesterday? Well, while no universal definition has been agreed on, the Sustainable Packaging Coalition has created an eight-point definition private label and national brands can follow to make sure packaging is not leaving a strong environmental impact and that they are communicating clearly and honestly with consumers. To read the definition, visit SPC's Web site at www.sustainablepackaging.org/about_sustainable_packaging.asp. PLB

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