

## Starbucks Cup Recycling: What's the Holdup?

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Glass bottles and aluminum cans are a gimme when it comes to recycling thanks to a combination of state container deposit laws, municipal curbside programs and a robust market for the recycled material – so why not paper cups?

That's the dilemma coffee giant Starbucks is tackling in earnest, although far too slowly for its critics and many customers who see the iconic cups as the company's top environmental concern. Starbucks, which celebrates its 40th anniversary this spring, has pledged to make 100 percent of its cups recyclable by 2015.



The long wait: Starbucks promises that 100 percent of its cups will be recyclable by 2015. (Press Photo)

But the recycling holdup isn't a question of the company dragging its
heels, Starbucks is at pains to explain. The ubiquitous green and white hot beverage cup, made with 10 percent postconsumer recycled fiber, is itself technically recyclable and compostable right now. The issue is infrastructure.

"We define recyclability or compostibility based on access and not on materiality," says Jim Hanna, the company's director of environmental impact. "That means we're not going to call our cups recyclable until we know our customers actually have access to recycling."

Indeed with a few exceptions (Seattle, Toronto and San Francisco for now), the company does not offer recycling for the soiled, plastic-lined paper cups in its store because most communities don't recycle them. At this point there's little market for the product and, in turn, little incentive to create the facilities to recycle it.

The upshot is that Stabucks's expanded definition of producer responsibility requires participation from city governments, recycling facilities, paper mills and even the company's competitors. This long road to a comprehensive solution so far has included two <u>Cup Summits</u> with various stakeholders; market testing to close the loop by turning <u>cups back</u> into cups and cups into napkins; and meeting with the <u>U.S. Conference of Mayors</u>.

"Commercial recycling is 100 percent reliant on the local market," Hanna says, noting that of the 4 billion paper cups they use annually, 80 percent leave the store and go out into the community. "If we can work with local governments to make sure that cups are included as part of local recycling ordinances, that prompts the creation of the local market where one may not exist."

But industry observers are hesitant.

Starbucks's effort is "groundbreaking," but there's a long way to go, says Conrad MacKerron, senior program director at As You Sow, a corporate and social accountability watchdog.

"Our concerns focus on how they're going to implement it and meet the goals," MacKerron says. "It's going to be a lot of work in an area in which there's no precedent...you've got hundreds of communities far from a paper mill and that's a challenge."

As You Sow is also campaigning for Starbucks to make a broader pledge to recycling its cans and bottles as the company expands in the grocery market. At the last two shareholder meeting, the nonprofit group presented a shareholder reso-

lution asking for a comprehensive recycling strategy.

And in the meantime, even while paper cups represent a fraction of the company's overall environmental footprint, the issue may potentially tarnish Starbucks's brand, others say.

"To the outsider, it just looks like Starbucks is doing nothing at all," says a business consultant who asked to remain anonymous. "They could develop an interim solution for all their stores or at minimum do a better job of explaining the situation to consumers."