Major Packaged Goods Companies Urged to Reduce Post-Consumer Waste

By Helen Glaberson, 02-May-2011

General Mills and Procter & Gamble (P&G) are coming under pressure from a shareholder advocacy group to reduce post-consumer waste by collecting and recycling product packaging at their US operations.

As You Sow has filed shareholder resolutions with the packaged goods giants to get them to adopt Extended Producer Responsibility (EPR) programmes, a strategy designed to shift accountability for post-consumer product management from consumers and government to producers.

The value of wasted US packaging is estimated at between \$15bn and \$23bn, according to As You Sow. The groups' goal is to reduce packaging in the US that is landfilled or burned by 40m tonnes each year.

First EPR proposals

These are the first EPR proposals to be filed by shareholders on the issue of post-consumer waste, according to the group.

The initial step towards this goal will try to get <u>General Mills</u> and P&G to collect and recycle plastic, glass, metals and paper at their facilities.

The move follows the groups' success after pressing <u>Coca-Cola</u> Co, PepsiCo and Nestle Waters North America to take responsibility for more than 50 per cent of their US product packaging, said the organisation.

"We believe it's time for companies to manage the full life cycle of packaging as efficiently as they manage design and marketing of products," said Conrad MacKerron, As You Sow's senior director for Corporate Responsibility.

EPR is a key step towards an industrial system of sustainable production and consumption, he said.

"We can no longer afford to discard packaging containing valuable resources. As shareholders we see this as throwing away revenue and we need to stop it immediately," said MacKerron.

New proposals

Under the new proposals, P&G and General Mills will be asked to report to shareholders on how taking responsibility for post-consumer product packaging can reduce carbon emissions, as well as air and water pollution.

It also asks for a re-evaluation of the way they design, use and re-use the resources and materials that go into their packaging.

The companies will be expected to take the lead in emerging public policy debates under way in several states on how to manage and finance EPR policies.

Last week, As You Sow also put pressure on beverage giant Coca-Cola asking the company to publish a report on bisphenol A.

The resolution called on Coca-Cola chiefs to issue a report on how it will seek to dispel customers concerns over bisphenol A, and what plans it has to develop replacements for the chemical used in its can linings.