

Breaking News on Beverage Technology & Markets

Coca-Cola and Nestlé Waters on board for US recycling laws

By Helen Glaberson, 18-Aug-2011

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Beverage giants Coca-Cola and Nestlé Waters will take responsibility for collection and recycling of post-consumer beverage packaging if the US passes new laws requiring them to do so, according to industry research.

"Waste & Opportunity: US Beverage Container Recycling Scorecard and Report," is As You Sow's third review of the beverage industry since 2006.

Based on a survey sent out to 45 beverage companies, industry efforts to reduce source materials, create recyclable product packaging and increase container recovery rates were graded by the advocacy group.

Companies that did not respond to the survey were scored based on publicly available information.

Support for laws

The report revealed the Coca-Cola Company is now "*neutral*" on its view for a voluntary deposit system administered by associated industries, an apparent softening of its position, according to As You Sow.

The firm, along with Nestlé Waters North America, has now started to press publicly for state extended producer responsibility (EPR) laws for post-consumer packaging, similar to those in place in Canada and Europe, said the report.

PepsiCo and Red Bull have also stated industry-wide recovery goals, said As You Sow.

"The major development since our last survey has been the willingness of leading beverage companies to consider new legislative mandates requiring them to take responsibility for their post-consumer packaging," said Conrad MacKerron, senior director of As You Sow's Corporate Social Responsibility Program.

"Many beverage and consumer packaged goods companies pay fees in other countries to finance recovery of their packaging. It's significant that companies are finally acknowledging the need to take responsibility in the US as well," he said.

Of the 224bn beverage containers sold annually in the US, only 29 per cent by weight are recycled; the rest are landfilled or incinerated, according to As You Sow.

However, in Europe and Canada, where EPR laws are in place, far higher levels of containers are recovered, it said.

When developing a recycling program, several survey respondents said they were most likely to support programs that set recycling fees paid by producers or importers that are included in the price of the product and administered by the industry.

Top score for Nestlé

In the report, Nestlé Waters North America received the highest ranking, followed closely by PepsiCo, The Coca-Cola Company, and Red Bull. All four received a letter grade of B-.

Of all the companies, only PepsiCo maintained a consistent level of 10 per cent recycled PET in all product lines sold in the US since 2005, said author of the study Amy Galland.

Nestlé Waters received the highest score on container recovery for having better recovery goals and stated tactical strategies for attaining them than its peers, she said.

Brewing companies were notably absent from the survey participants, said As You So.

"Anheuser Busch refused to participate, suggesting its transparency policies are getting worse. The company received the second highest score in the 2008 edition of this report," said the advocacy group.

As You Sow advised Anheuser Busch and MillerCoors to participate in future surveys and to set aggressive

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recycling goals, increase disclosure, and work with other brands on to jointly boost container recovery.

Other advice the group gave to the industry included further investment into the design of packaging for recycling, including full consideration of the end-of-life aspect of packaging and the promotion of closed-loop systems where possible.

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