

P&G Meets As You Sow

Posted by Guy Crittenden

It's the prerogative of magazine editors that, as much as we strive to be even-handed and permit all stakeholders on any issue a voice, we allow ourselves to have certain "favourites" in the landscape of whatever "beat" we walk in the wilderness of journalism.

So I will confess to readers that I have a certain bias towards certain individuals and groups in the realm of environmental protection, and one of these is the shareholder activist group [AsYouSow.org](#)

Really, I love their strategy, which entails buying positions in publicly-traded corporations and agitating for change from within (instead of being on the outside throwing stones, a la GreenPeace). I love their savvy style, the intelligence of their campaigns, and how they use the rules of corporate America in a somewhat subversive way to get the attention of CEOs and boards and shareholders, more effectively than if they were out on the street marching and trying to get a spot on that evening's TV news.

The most recent news release from [AsYouSow](#) concerns a product stewardship initiative within Proctor & Gamble. The proposal was only supported by 6 per cent of P&G shareholders, but it's a start; the group made its point and, hey, they're not going away.

Let's hope [AsYouSow](#) gains in effectiveness over time (as I expect it will) and achieves its goals, which are generally reasonable. And best of all, they're not on their knees begging government and elected politicians to dispense regulations, which even when passed often go unenforced. These guys are capitalists with a moral compass (badly needed in America today) and are working the system from within.

As the song goes, "First we take Manhattan, Then we take Berlin!"

Here's the news release:

Procter & Gamble Shareholders Vote on Producer Responsibility Resolution

Proposal asks company to assess taking responsibility for post-consumer package recycling

CINCINNATI, OH — A shareholder vote at Procter & Gamble (P&G) today marks the third major company to show substantive support for a proposal asking that consumer products companies take responsibility for collection and recycling of post-consumer packaging.

Corporate responsibility group [As You Sow](#) asked the company to evaluate extended producer responsibility (EPR) policies as a means of increasing recycling of P&G's post-consumer packaging, boosting U.S. recycling rates and responding to a growing movement asking producers to be accountable for their packaging. EPR shifts the costs of recycling from taxpayers to producers like P&G. More than 40 countries require producers to pay to collect and recycle post-consumer packaging.

A preliminary vote result indicated the proposal was supported by about 6% of P&G shareholders.* This follows votes of 25% support at Kraft Foods and 13% at grocery giant Kroger earlier this year. A preliminary estimate indicates that combined company shares worth \$25.5 billion have been voted in favor of proposals on EPR in 2012.

The vote is one of several shareholder initiatives planned by As You Sow to challenge companies to address the packaging waste businesses introduce into the marketplace.

Conrad MacKerron, senior program director of [As You Sow](#), which co-filed the proposal along with Green Century

Funds and Trillium Asset Management, issued this statement in response to the vote:

“We are pleased that shareholders are supporting our efforts to get Procter & Gamble to pay its fair share to collect and recycle packaging as it is required to do in many other countries. Coupled with previous votes at Kraft Foods and Kroger earlier this year on this topic, we are excited that shareholders are sending a strong message to management to take action.

“Given their sizeable role in creating product waste that ends up in landfills, we remain concerned about Procter & Gamble’s lack of leadership on advocating for policies the company has already adopted abroad, but continues to reject here at a cost to U.S. taxpayers. For example, the company lags behind its peer Unilever which has stated publicly that it will seek to increase recycling of post-consumer packaging by 15% by 2020.

Our current packaging collection and recycling policies aren’t working and represent a massive waste of reusable resources. There is enormous demand for materials like used PET plastic bottles, yet we collected less than 30% of PET containers in the U.S. in 2010. Overall, we recycle a dismal 12% of all plastic packaging. About 50 million tons of plastic, metal, glass and paper packaging, most of which could be recycled, is burned or buried every year.

“We hope that Procter & Gamble and other large producers will recognize that the post-consumer packaging problem is only getting worse. We are wasting \$11.4 billion a year in valuable, recyclable materials while contributing to the greenhouse gas crisis. We are calling on producers like Procter & Gamble to show greater leadership and support EPR policies that will increase recycling rates, conserve natural resources and drive economic growth in the United States.”

* This percentage is the preliminary result released by P&G during the annual meeting. Learn more about interpreting shareholder support at <http://www.asyousow.org/csr/shareholder.shtml>

As You Sow is a nonprofit organization that promotes environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies. For more information visit www.asyousow.org