

ENVIRONMENTAL LABELING GUIDELINES FOR PACKAGING

May 4, 2010
Victor Bell
Environmental Packaging International



Environmental Packaging International

TARGET.

- Specialists in global environmental packaging & product stewardship requirements
- Offices
 - Rhode Island, US
 - New Hampshire, US
 - Toronto, CA
- Our clients include:







ESTĒE











OfficeMax.

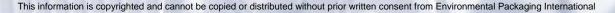












As Eco-Seals Proliferate, So Do Doubts APRIL 2, 2009

By **GWENDOLYN BOUNDS**





It's too easy to be green Recently, Kevin Owsley went searching for a reputable organization that could validate the eco-friendly traits of his company's carpet-cleaning fluid. But after canvassing a dozen competing groups hawking so-called "green certification" services -- including one online outfit that awarded him an instant green diploma, no questions asked



5th Annual Walmart Stores Inc., Sustainable Packaging **Exposition**

- **EPI** audited Environmental Claims for all packaging vendors at the Walmart Sustainable Packaging Expo
- EPI audited both the Packaging Success Story and the 7R's handout
- About 70% were rejected in the first review
- Most were approved in the end

Packaging Success Stor





Buver Name Item Number and/or Description

Supplier Name

Project Objective:

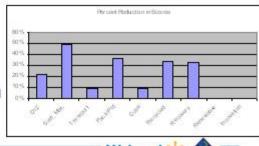
How to sell more product . . . Sustainably

Approach/Best Practices:

- 100% paper-based package
- Increased perception as value due to nofrills package
- Easier to merchandise on pallets or in fixture

Successes/Savings:

- Material 25.8 less tons of corrugated, 1781 less pallets. Plastic completely eliminated
- Transportation Half as much fuel needed to distribute to the clubs











Third-Party Review of Packaging Sustainability Data

- GreenerPackage.com database will offer optional, third-party reviews for suppliers that list their product information in the database
- The database is linked to Walmart's Sustainable Packaging Scorecard Modeling tool
- Guidelines available:
 http://www.GreenerPackage.com/guidelines
 or at www.enviro-pac.com

Greener Package Guidelines to Sustainability Claims

This guide was developed and produced by EPI.





Beware the Seven Sins of Greenwashing™

- 1. Sin of the Hidden Trade-Off
- 2. Sin of No Proof
- 3. Sin of Vagueness
- 4. Sin of Worshipping False Labels
- 5. Sin of Irrelevance
- 6. Sin of Fibbing
- 7. Sin of Lesser of Two Evils
- In 2007 study, of 1,018 consumer products that make environmental claims found that "all but one made claims that are demonstrably false or that risk misleading intended audiences."
- In the 2009 report, over 98% of the 2,219 products surveyed in North America committed at least one of the Sins of Greenwashing.

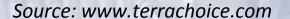
Source: www.terrachoice.com



Seven Virtues of Green Labeling:

- 1. Tell the truth
- 2. Use specific claims do not make broad environmental claims
- 3. Don't overstate a product's attributes
- 4. Use clear and prominent qualifications
- 5. Have competent and reliable evidence to back up claims
- 6. Distinguish between product, package or service
- 7. Make sure a reasonable consumer can CLEARLY understand the meaning behind the claims





Environmental Labeling Requirements

• FTC "Green Guides" (Part 260 -- GUIDES FOR THE USE OF ENVIRONMENTAL MARKETING CLAIMS)

SPI Code (39 US States) (not recycling code!!)

Use of the trademarked Green Dot

ASTM/ISO/CEN Standards



















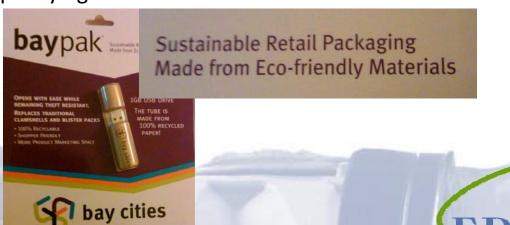


Overstated General Environmental Benefit Claims

Criteria:

- NO unqualified claims. Claims limited to specific environmental attributes are favored.
- FTC Guidelines for Environmental Labeling :
 - Maintain clarity of qualifications and disclosures (through appropriate language, type size, context, avoiding contradictions)
 - Distinguish between product, package, service
 - Qualify claims about benefits (avoid claims of general environmental benefits)
 - Make only those claims which you can substantiate
- The following types of general environmental benefit claims are discouraged unless accompanied by qualifying text:
 - Sustainable
 - Eco-friendly
 - Green
 - Natural
 - Environmentally safe

This information is copyrighted and cannot be copied or distributed without prior written cor



Overstated General Environmental Benefit Claims

Examples (from the FTC)

 A brand name like "Eco-Safe" would be deceptive if, in the context of the product so named, it leads consumers to believe that the product or package has environmental benefits which cannot be substantiated by the manufacturer.









 A wrapper is labeled "Environmentally Friendly because it was not chlorine bleached, a process that has been shown to create harmful substances." This claim is deceptive if the production of the paper wrapper created other harmful substances.

Recyclable Claims

Criteria:

- A basis for the claims (e.g. study or survey results of municipal recycling facilities) must be stated when making 'recyclable' claims on packaging that is not traditionally accepted for recycling, e.g. plastic clamshells.
 - You must consider both the material <u>and</u> the packaging type (i.e. PET Bottle versus a PET Clamshell)
 - You must review both what is collected by communities <u>and</u> what is accepted by the recycling facilities
 - Must be available to a substantial majority of consumers or communities (60%)
 - Closed recycling systems are OK if well qualified (e.g., in-store plastic bag collection programs)
- Meeting Fiber Box Association repulpability/recyclability protocol establishes that the paper item is technically recyclable, but does not establish that the item will be accepted for recycling by municipal recycling programs.

Recyclable Claims

Plastic PP (5) bottle (if accepted at recycling facilities in 15% of US communities)

Deceptive Label:

- "Recyclable"
- "Recyclable where facilities exist"

These claims are deceptive because, unless evidence shows otherwise, reasonable consumers living in communities not served by programs may conclude that recycling programs for the bottle are available in their area.

Acceptable Label:

- "This bottle may not be recyclable in your area"
- "This bottle is recyclable in 15% of US communities"

These claims are acceptable because they state the limited availability of recycling facilities for the bottle.

Blister pack (paper backing, plastic front)

Deceptive Label:

"Recyclable"

The claim should be qualified to apply to just the paper portion of the package. The plastic portion will not be accepted for recycling.

Acceptable Label:

• "Paper portion of this packaging is recyclable."

This claim is acceptable if the company has data to prove that the substantial majority of recycling facilities (60%) will take the paper that is used.





The Availability of Facilities for Recycling

Recyclable in the US (substantial majority of recycling facilities (60%)* (FTC)

- •Glass Bottles and Jars (Clear, Green and Brown)
- •PET Bottles with necks (Clear, light Green and very light Blue)
- •HDPE Bottles with necks (All colors, but some issues with black)
- Aluminum Cans
- Steel Cans
- Steel Aerosols
- Newspaper
- Corrugate (non waxed)
- Paperboard (boxes and sheet w/limited bling)
- Paper (sheet w/ limited bling)
- •*Based on EPI research



















The Availability of Facilities for Recycling

Not presently recyclable by 60%* (FTC) (not available to a substantial majority of consumers or communities)

This information is copyrighted and cannot be copied or distributed without prior written consent from Environmental Packaging International

- •Glass (other than Clear, Green or Brown)
- •PET bottles (other than Clear, light green and very light blue)
- All other PET, i.e. Clamshells, blisters, trays, lids)
- •HDPE (Black bottles and all other non-bottle HDPE)
- •All Plastic films and bags
- •Plastic (All SPI 3 − 7)
- •Paperboard (w/bling)
- •Paper (w/bling)
- Waxed Corrugate
- Packaging with food contamination
- Laminates
- Poor designs (Plastic glued to corrugate)
- •*Based on EPI research





























The Availability of Facilities for Recycling

Things that are close but need backup studies (FTC) (?% available to a substantial majority of consumers or communities)



- •Wet Strength Board
- Level of bling on paperboard
- Molded Pulp



•Recent informal survey by EPI	Percent of communities in	Percent range of total US
	sample that would	communities that
	accept box for	would accept box
	recycling	for recycling*
	73%	50-55%
	40%	25-30%





Recyclable Claims: Use of the Möbius Loop (three chasing arrow symbol)

Criteria:

 Any use of the Möbius Loop (three chasing arrow symbol) must have text as to whether you're claiming recycled content (with %) or 'recyclable.'

Under US FTC Guidelines, the use of the Möbius Loop (with no other text) constitutes a claim that the packaging and product are made of 100% recycled materials and universally recyclable – deceptive unless the claim can be substantiated!









Appropriate Use Of SPI Plastic Resin Identification Code



Criteria:

- SPI code use should follow the strictest state law interpretation (39 states have SPI code laws).
- The SPC code should not be used as an Environmental Claim (FTC)
- SPI code should be keep away from other environmental claims (FTC)





Predominant Material Resin Coding

- Some states may allow this on a case-by-case basis with evidence of the container's recycling compatibility and endorsement by local recyclers
 - Kentucky law allows predominant code with written approval by Association of Postconsumer Plastic Recyclers (APR)
- Some states interpret their laws to mean that predominant resin coding is not allowed
- Some states have no known position on predominant resin coding



Recycled Content Claims

Criteria:

- It is recommended that all recycled content claims include a percentage, even if it is 100%.
- Any use of the Möbius Loop (three chasing arrow symbol) must have text as to whether you're claiming recycled content (with %) or making a 'recyclable' claim.

Key points:

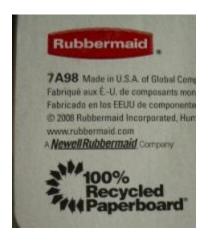
- Must meet FTC definition of recycled content:
- Both pre and post-consumer material are considered recycled content.
- Claim must be able to be substantiated.
- Percentage of recycled content by weight should be identified
- Distinctions may be made between pre-consumer and post-consumer materials.
- Under US FTC Guidelines, the use of the Möbius Loop (three chasing arrow symbol) alone with no qualifying text constitutes a claim that the packaging and product are made of 100% recycled materials and are universally recyclable

Recycled Content



Under FTC Guides, this logo may only be used if the package contains 100% recycled material. But we would prefer using a %









Is this 100% Recycled content?



Degradable/Biodegradable/Photodegradable Claims

Criteria:

- •Compostable claims are favored over degradability, biodegradability, oxo-biodegradation or photodegradability claims. Because most product packaging ends up in landfills, unqualified claims in this area will not be accepted at this time.
- •Only compostability claims were accepted for plastic bags or food and beverage containers if met ASTM D6400. No other degradable claims were accepted.

Key points:

- Unqualified claims of degradability, biodegradability or photodegradability should be substantiated by competent and reliable scientific evidence that the entire product or package will completely break down and return to nature
- •Oxo-biodegradable claims will likely be considered by consumers to be equivalent to a biodegradable claim; therefore, must meet the same criteria.

Degradable/Biodegradable/Photodegradable Claims

Key points:

- Most landfills are fundamentally anaerobic, which severely limits/prevents photodegradation and oxo-biodegradation from occurring.
- Claims of degradability, biodegradability, oxo-biodegradable or photodegradability should be qualified to the extent necessary to avoid consumer deception about:
 - (1) the product or package's ability to degrade in the environment where it is customarily disposed (Note that 'customary disposal' of most packaging is in a landfill); and
 - (2) the rate and extent of degradation.
- Testing to back up degradability, biodegradability or photodegradability claims should be based on the finished package/components, NOT the finished material that is used.

Compostable Claims

Criteria:

- •Compostability claims should be sufficiently qualified as to ability to compost in home, municipal or industrial composting facilities.
- •Claims involving materials that can only be composted in municipal and institutional composting facilities must have text regarding the limited availability of these facilities.
- •Compostable plastics must meet at a minimum the ASTM D6400 Standard Specification for Compostable Plastics.
- •Plastic coatings must meet the ASTM D6868 Standard Specification for Biodegradable Plastics Used as Coatings on Paper and Other Compostable Substrates.

Composting does not take place in a landfill!

FTC Guidelines specify different requirements for making "biodegradable" and "compostable" claims.

FTC Enforcement (2009)- Biodegradable Claims

Several companies made claims their paper products were "biodegradable"

Kmart paper plates





Dyna-E (compressed dry rayon towels)

Tender Corp moist wipes



Comparative Claims

Criteria:

- •Comparative claims should be able to be substantiated. Claims using words like "better" and "most" cannot be quantified. Claims using words such as "larger/smaller," or "more/less" can be quantified using purchasing or manufacturing records or historical data.
- •Claims should be sufficiently qualified and clear as to what is being compared.

Example:

•A claim that a "box contains 10% more recycled content" is too ambiguous. It is unclear whether they are referring to 10% more compared to their previous package or a competitor's product. The claim should be sufficiently qualified to say "box contains 10% more recycled content than our previous package."

Comparative Claims

Unclear Claim: Successes/Savings:

- Material:
 - 9,000 fewer boxes
 - 350 less pallets
- Transportation
 - 37% less fuel needed to distribute to the clubs

Better Claim: Successes/Savings:

- For every box of wine sold (and 4 bottles eliminated):
- Reduced landfill discards by 1.24 pounds
- Reduced greenhouse gases by 1.05 pounds
- Reduced energy consumption for the manufacture of the packaging materials by 6,483 BTUs







Assumptions: glass recovered at 20%, paperboard recovered at 30% per Feb. 2007 ULS Report. No recycle content. Data sources: Paper: www.papercalculator.org, Glass & Plastic: Boustead Model V5

Use Of Green Dot



Criteria:

- •Use of Green Dot is only allowed with a valid trademark license
- •Size and placement must follows license agreement

The Green Dot should not be used to make any environmental claims. It is a protected trademark. Use of the Green Dot on packaging in North America requires a signed license agreement with CSR North America.

http://www.greendot.ca/

- Should only be on outer sales packaging
- No "Der Grüne Punkt"

DO YOU HAVE A LICENCE TO USE IT????

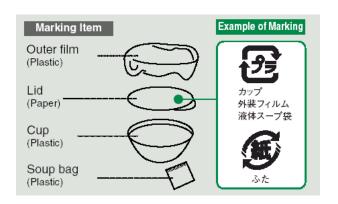




Labeling Requirements

• Japan





- South Korea
 - on all packaging of certain product types, including foods & beverages, dairy & fish, agricultural produce, and foamed resin packaging of electronic equipment
- Other material coding by country







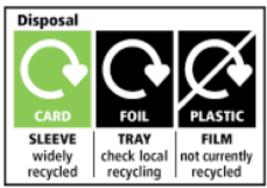




UK Voluntary Recycling Labeling - WRAP



Packaging Material	Widely recycled	Check local recycling	Not currently recycled
Glass	Bottles and Jars		
Metal	Cans and Aerosols	Lids and trays Foil packaging	
Paper and Card	All paper and card packaging		
Plastics (All Types)	Bottles	Pots, trays, tubs and lids	Bags, films, pouches and windows
Biodegradable/ Compostable			All types
Composite Material	Liquid drink and food cartons i.e.		
	Tetra Pak, Elopack and SIG		
Mixed Materials e.g.			All types
card and metal spiral			
tubes or complex laminates			



- Alliance Boots
- ASDA
- B&Q
- Marks & Spencer
- Sainsbury's Supermarkets
- Tesco Stores Ltd
- The Co-Operative Group
- Waitrose



UK WRAP

- It states clear guidelines for three levels of packaging recycling:
 - Widely recycled: 65% or more of local authorities have collection facilities for that packaging type in their area
 - Check local recycling: 15% to 65% of local authorities have collection facilities for that packaging type in their area
 - Not currently recycled: Less than 15% of local authorities have collection facilities for that packaging type in their area
- SPC drafting similar scheme for possible voluntary use in US
- Greater divergence between labeling for each market?

Questions?

Contact EPI at:

Environmental Packaging International

41 Narragansett Avenue

Jamestown, RI, 02835 USA

Tel: (401) 423 2225

Fax: (401) 423 2226

www.enviro-pac.com

vbell@enviro-pac.com