

PPSReview

**Product & Packaging
Stewardship Review**

MANAGING WASTE RESPONSIBLY

An information service for municipal governments

Vol 6, Issue 2, November 2005

AMO urges members to attend Stewardship Ontario consultation

The Association of Municipalities of Ontario (AMO) is "strongly encouraging" its members to get involved in an upcoming review of stewards' fees and blue box program issues. In a *Member Communication* sent out November 24, AMO says industry "needs to hear your perspective on the current program and how to improve it for future years."

"This discussion will help to determine what the financial contribution to your municipality will be in 2007 for the Blue Box portion of your recycling program. Now is the time to

make your views known."

The consultations are being held by Stewardship Ontario at the Novotel Hotel in downtown Toronto, Thursday, December 8.

Though the event will be webcast, it is strongly recommended by organizers that participants attend in person in order to benefit fully from the presentations and discussions.

The current Stewardship Ontario funding formula has been used for the Blue Box Program Plan for the period of 2003 through 2006. Minor modifications to the plan rules have

been made during the past three years. Recently, some major changes to the current funding formula have been suggested by some stakeholders.

The Stewardship Ontario Board of Directors has agreed to undertake a review prior to setting fees for 2007. A review of the Waste Diversion Act itself is beyond the scope of this consultation program.

For more information, a discussion paper on the program review and to register, visit Stewardship Ontario's website (www.stewardshipontario.ca).

See also *Discussion...* Page 6/8

Ontario MOE to give WDO \$280,000

The Province of Ontario is sending a \$280,000 life-line to pull Waste Diversion Ontario (WDO) out of its current money troubles.

The money will be paid as an unconditional grant under what appears to be a hitherto unknown fund, the Grants for Environmental Partnerships Program. (A search of the MOE website for Grants for Environmental Partnerships Program advises no documents match that query.)

The WDO had asked Minister of Environment Laurel Broten for financial assistance in letter dated October 3.

In a letter dated November 18, the Minister notes, "a long-term solution is required to prevent future financial difficulties." MOE staff, she says, are

looking into "various legislative and regulatory mechanisms that would address the current cash flow challenges."

WDO operations were supposed to have been funded by contributions from the industry funding organizations (IFOs) set up to look after designated materials once programs were established.

To date only blue box materials have been approved under the Waste Diversion Act. Programs to address the recovery of used tires and used oil have been stalled for various reasons and a program for the fourth designated material, waste electronic and electrical equipment has yet to be developed.

The Minister indicates in her letter

that she is "carefully reviewing the status" of those programs and requests WDO's continuing patience as she considers the direction of these programs.

INSIDE THIS EIGHT-PAGE ISSUE

News in Brief	2/8
RCC says why	4/8
The LCBO follies	5/8
BC eyes WEEE, tires	6/8
Calendar	7/8

Briefly...

CALIFORNIA TO REQUIRE RECHARGEABLE BATTERY TAKE-BACK

Retailers in California will have to take back rechargeable batteries starting next year under legislation signed by Gov. Arnold Schwarzenegger in October. As of July 1, 2006, the Rechargeable Battery Act will require California retailers who sell rechargeable batteries to take back the batteries at no charge to the consumer. Stores that primarily sell food and retailers with annual gross sales of less than US\$1 million are exempted. Retailers can use existing take-back programs like the Rechargeable Battery Recycling Corporation program. The legislation was sponsored by Democratic Assemblywoman Fran Pavley. The California Department of Toxic Substances Control considers rechargeable batteries hazardous, and they must be disposed of as hazardous waste starting Feb. 8. The Act requires that the Department of Toxic Substances Control survey battery handling and recycling operations each year. The data will be used to determine the estimated amount by weight of each type of rechargeable batteries returned.

Waste News (USA), October 14
www.wastenews.com

UK PUBLISHERS STEPPING UP TO THE PLATE

The UK-based Periodical Publishers Association (PPA), which represents magazine and professional media publishers, and the UK government co-signed a producer responsibility agreement for the magazine sector, November 15. The agreement commits PPA to work with the government to increase the recycling rates for post-consumer magazines, with the aim to increase the level of recycling by 30% within eight years. Just 40% of magazines are currently recycled by consumers, with many of them going to make up recycled-content newsprint for the newspaper sector. The agreement sets ambitious targets, increasing the recycling rate to 50% by the end of 2007, 60% by the end of 2010 and eventually rising to 70% by the end of 2013.

Resource Recovery Forum (UK), November 18
www.resourcesnotwaste.org

PLASTIC BAG TAX AVERTED?

An agreement between industry, large retailers and the City of San Francisco appears to have averted what could have been the first tax on retail shopping bags in the USA. The city had been proposing a 17-cent-per-bag tax to reduce consumption and the environmental impact of the bags. Instead, the agreement reached November 2 requires grocers and the bag industry to cut bag use in the city's food marts by about 20% by the end of 2006. The grocers have committed to reduce bag use by 10 million sacks and bring in broader recycling programs in stores. The bag industry will spend US\$100,000 on a public education campaign. The city has agreed not to pursue a bag tax through 2006. Earlier this year, the bag industry launched a US\$700,000 statewide campaign to oppose taxes and promote alternatives. City operations staff claim plastic bags gum up recycling equipment, contribute to litter and harm marine life and ecosystems. The city's department of the environment must give the mayor a formal evaluation of bag reduction efforts by the end of next year.

Waste News (USA), November 5
www.wastenews.com

PAPER BACKPACKS NOW ON SALE

A British engineering graduate is selling the disposable backpacks that won him a Gold Medal at the recent British Invention Show held in London. Simon Mitchinson first thought of the idea one afternoon while carrying three empty rucksacks that had contained a family picnic around a theme park. A search on the Internet showed that there were no throwaway bags available other than carrier bags—so he decided to develop the product himself. For the past 18 months, Mitchinson has been developing these "Piggy Pacs." under the name of The Paper Rucksack Company. The backpacks are recycled, recyclable and biodegradable but also strong enough to carry around two kilograms comfortably. The bags easily survive rainfall long enough for the user to find shelter. They are retailing at £2.99 (\$7) for a pack of 10. They come in adult and children's sizes and are available online (www.paperrucksacks.co.uk).

Brunel University (London, UK) press office,
November 2

Product & Packaging Stewardship Review is published by Ben Bennett Communications as part of the Fair Comment Project. It is faxed or emailed to municipalities as a communications service aimed at providing a broad range of stewardship and associated information from Canada, the United States and overseas.

The current issue of PPSReview, and past issues, are available for viewing on the Internet (www.productstewardship.org).

Anyone wishing to support the Fair Comment Project may email Ben Bennett (bbc@albedo.net). Confidentiality is guaranteed.

© Ben Bennett Communications, 2005

NOTICE: THIS PUBLICATION, AND THE VIEWS EXPRESSED, HAVE NO CONNECTION WITH THE ASSOCIATION OF MUNICIPAL RECYCLING COORDINATORS OF GUELPH, ONTARIO.

**PPS
Review
November
2005**

Page 2/8

Nova Scotia environment minister gets back to basics

By Kerry Morash,

The following is excerpted from a speech given by Mr. Korash at the Canadian Stewardship Conference in Toronto, October 4, 2005. Mr. Korash is Nova Scotia Minister, Environment and Labour and president of the Canadian Council of Ministers of the Environment.

Every one of us generates waste, so we each have a role to play in managing it. We're all in this together.

Government plays a role of regulation and education. We create regulations, through consultation, and enforce them to prevent harm to the environment. We educate citizens and industry so they know what the regulations are and how to follow them.

Citizens must pitch in by separating waste for recycling and composting, and conserving resources like water and energy. They can also use their spending power to generate a demand for greener products – although this is tough when they're up against the marketing power of big companies.

Industry has a responsibility to create products with minimal effect on our environment. That includes the choice of raw materials and the design of the product. It includes the manufacturing process, packaging and shipping.

And it shouldn't stop there. Industry has a role to play in ensuring products are recycled or safely disposed of when they're no longer usable for their original purpose. Through the efforts of governments, stewardship organizations and businesses, we're starting to see more action on this front with the emergence of extended producer responsibility programs.

These programs cause a shift in how producers think about their products. They help entrench the attitude that taking into account every stage of a product's life is as much a cost of doing business as the raw materials or the labour.

For this reason, many believe it important that the cost of running such programs be included in the overall product cost.

Some may argue internalizing the cost is unnecessary. In Nova Scotia, our consumers pay an extra fee when they buy new tires to cover recycling. It's been quite successful in diverting waste and creating jobs. So why switch to

“When producers have to pay for the end-of-life management of their products, they have a powerful financial incentive to design those products for reuse and recycling. If not, where's the incentive to consider the consequences of product design?”

internalizing the cost?

The ultimate goal of extended producer responsibility is to improve the overall environmental performance of a product. Simply diverting waste isn't enough. We need to design products with the least environmental impact possible. For effective design for the environment, internalizing the cost is an important incentive, maybe even necessary.

When producers have to pay for the end-of-life management of their products, they have a powerful financial incentive to design those products for reuse and recycling. If not, where's the incentive to consider the consequences of product design?

Beverage containers provide a good example. In Nova Scotia, the cost of recycling them is not internalized. People pay a 10 cent deposit at the point of sale, and get 5 cents back if they return them. While deposit-refunds provide great return rates, makers of plastic containers sometimes disregard current recycling technologies when designing their products. They add layers of different resins, coatings and labels that make them hard to recycle – so hard, in fact, that it can threaten the

viability of the recycling industry.

Seeing the total cost on the price tag helps both producers and consumers adopt the new mindset of making environmental sustainability an integral part of everything we do.

It's not just consumers and governments who are interested in this concept. I've heard from producers who want to design better products and take full responsibility for them. I'm sure there are business leaders in this room who want to make these changes.

The trouble is you still have to be competitive. Company X can't invest in better design which results in a higher purchase price for the consumer when Company Y continues to produce a cheaper, less environmentally friendly version of the same product. So unless you've got a level playing field, you can't afford to do what's best for the environment and still meet your business goals. We understand that.

Regulation or stewardship programs can help level the playing field. We all have slightly different ways of approaching these programs. Some are regulatory, others are voluntary. Such diversity presents challenges to both government and industry.

It's hard for a company to design a product and process that meets the requirements of ten different stewardship programs across the country. So the next step is for a more coordinated approach.

See Page 4/8 for another view on hidden fees. Copies of most of the other speakers' presentations are available online (www.canadianstewardship.com/presentations.html).

Why retailers oppose hidden fees

By Diane J. Brisebois

The following is excerpted from a speech given by Ms Brisebois at the Canadian Stewardship Conference in Toronto, October 4, 2005. Ms Brisebois is President and CEO, Retail Council of Canada (RCC).

One of the reasons I have been looking forward to speaking to this audience today is to debunk a myth about the retail industry's involvement with environmental stewardship programs. Retailers are truly the "mother of all stewards". They are the barometer of consumer confidence and are increasingly using the intelligence acquired from their customers to develop their own product lines.

Thus, retailers are not only sellers and first importers—they are also brand owners. They are the vital link in the distribution chain that connects manufacturers to consumers and they have a significant role to play in both the development and implementation of product stewardship programs.

RCC and its members are currently involved in more than 30 regulated stewardship programs in Canada, and an additional 10 voluntary programs. Retailers are represented on stewardship boards and advisory committees across the country for good reason: they have a lot to gain and a lot to lose.

We have an enormous amount of experience with the process, and let me be clear: we are not happy.

The name IFO, Industry Funding Organization, has become a misnomer. The process by which stewardship programs are developed has become so politicized, that industry and affected stakeholders often have little say in the eventual program outcome. It is disappointing when good policy is overridden by bad politics, because in the end, everyone loses.

If industry is to be tasked with the development and implementation of these programs, including contributing the funds, it must be given the flexibility to manage the programs in the most effective and efficient manner,

respectful of obligations and stakeholder needs. This includes managing the costs associated with financing these programs.

Let me be clear: a legislated or mandatory requirement for hidden fees is unacceptable to the retail sector. The transparency of costs associated with stewardship programs is an absolutely fundamental issue for the retail industry. And not only because of the administrative and financial impacts that hidden fees create. It is a fundamental issue because it is the battleground where industry and politics meet.

"Let me be clear: a legislated or mandatory requirement for hidden fees is unacceptable to the retail sector."

Program costs are typically funded by an environmental levy or eco-fee associated with a product. Financing these eco-fees for post-consumer material recovery and recycling presents huge challenges for all retailers.

Some provinces introduce stewardship programs that require retailers to hide or bury the eco-fee within the final selling price of the product, ultimately hiding the costs from consumers. Such practices have a number of serious impacts on retailers, both large and small.

Retailers who lease their premises pay more rent: rent is based on gross sales, which increases as prices are increased to cover stewardship program costs, and a myriad of other fees and taxes. This is a particularly troubling concern for small, local and regional retailers located primarily in malls. In addition, higher advertising costs are incurred for national retailers who must produce separate production runs with province-specific pricing.

Product prices in the province may become inflated as a result of the mark-ups that occur along the supply chain.

Some retailers lose customers to neighboring jurisdictions where the advertised price of a product is lower because there is no embedded eco-fee.

A legislated requirement to hide

eco-fees is simply unfeasible for some retailers who have information systems that cannot be configured for higher prices in a given province for the same product. Retailers must have the flexibility to cover recycling program costs in a manner that minimizes the financial and administrative impact on their business—and for some retailers this means showing recycling costs as a separate line item at the point of sale.

This makes politicians nervous. But this is a business issue, not a government issue. The cost of managing recycling programs is a cost to business just like any other cost, and businesses must have the ability to manage those costs in their own way.

With such a large number and range of programs in Canada, the cost of compliance is a critical concern to RCC and our members.

I am not simply referring to the direct costs that retailers must bear for designated wastes—which are in the millions—I am also referring to the indirect costs of managing compliance.

Certainly one way to simplify compliance is through greater harmonization. Harmonization of rules, products covered, and reporting requirements would all be a step in the right direction; it would reduce the administrative burden on industry; it would increase efficiencies—and it would improve our effectiveness. The varying laws across the country create a patchwork of standards and rules that are difficult, frustrating and very expensive to administer.

I hope that today is the beginning of a new cooperative approach. Let's work together so that the environment and our economy can thrive.

**PPS
Review
November
2005**

Page 4/8

LCBO turning its back on glass —less recovery means lower fees

On November 12, and with great fanfare, the Liquor Control Board of Ontario (LCBO) announced to the world that its latest wine product is not only savings song birds, it's saving the planet. And it could save the LCBO a lot of money in steward's fees.

Since July, the LCBO has been selling wine in one-litre aseptic cartons under the *French Rabbit* label. In a recent press release, the LCBO notes the new container has passed the \$2 million sales mark. The brand owner, *Boisset*, has been donating 50 cents for every litre sold to Wildlife Preservation

Canada to build a new facility to house an expanded breeding program through the winter months for the Eastern Loggerhead Shrike. So, good news for the song birds.

And the planet?

While promoting the performance of its container recovery in the blue box, the LCBO says it is trying to move away from glass bottles. It says several dozen beverage alcohol products in alternative packaging are currently planned for release in LCBO stores.

A backgrounder issued with the news release says the LCBO recently asked its suppliers to use "alternative, environmentally-friendly packaging".

In addition, the LCBO now advises that wine in clear glass bottles can be affected by light and corks can spoil the wine.

Aseptic cartons are lightweight, easy to carry and are shatterproof, making them ideal for outdoor entertaining, notes the LCBO. They also have lower transportation costs.

The LCBO's new environmental strategic plan, announced via two news releases—August 11 and again November 12—calls for an increase in the recovery rate of wine and liquor containers from the current 64% to 80%, but it doesn't say how. (No provincial or state curbside collection system anywhere in North America has

achieved 80% recovery; only deposit-refund systems have achieved 80% recovery.)

The LCBO also doesn't say how its plans to change the packaging from a container with a 64% recycling rate to a container with a 9.5% recycling rate will help it meet the 80% goal.

"While its new environmental strategic plan also calls for the integration of "responsible environmental stewardship" into the LCBO's management culture, the LCBO management continues to reject any consideration of a deposit-return system to increase recovery of its containers."

While its new environmental strategic plan also calls for the integration of "responsible environmental stewardship" into the LCBO's management culture, the LCBO management continues to reject any consideration of a deposit-return system to increase recovery of its containers.

One of the arguments for a separate collection system for wine and liquor bottles in Ontario is the quality of the material recovered. Using the blue box system, recovered wine and liquor bottles end up as a mixture of coloured

"...even with \$2-5 million of blue box stewards' fees committed to finding alternative markets, no one is talking about making new bottles from the recovered glass. (i.e., recycling it)."

and clear broken glass, with very little, if any value. The LCBO admits that most of it becomes construction material (aggregate substitute). Many do not consider this recycling.

And even with \$2.5 million of blue box stewards' fees committed to finding alternative markets, no one is talking about making new bottles from the recovered glass. (i.e., recycling it).

There is a ready market for clean streams of clear glass, which have a value of \$36 per tonne, according to the CSR price sheet (www.csr.org). Coloured glass is somewhat less

valuable but still has a positive price. Clean clear and coloured glass can be used to make new bottles.

With a glass stream that is far from clean, many municipalities are actually paying to ship their recovered mixed broken glass. Others are simply landfilling it.

The LCBO says it is working with suppliers to develop alternative packaging, such as aluminum cans, plastic bottles, aseptic cartons and other containers, which use less packaging and are, it says, less costly to recycle than glass.

But according to Waste Diversion Ontario, wine bottles cost about \$150 per tonne to collect and process in the blue box program; aseptic containers cost \$800 per tonne.

The LCBO notes in its strategy that one of the most important benefits of the blue box program is that it encourages stewards, like the LCBO, to reduce the amount of waste created.

Now that the LCBO's initial commitment to fixed annual payments to support recycling has ended, the corporation will pay fees, like every other steward, based on the amount of material recovered.

Under the current weighting factors in the funding formula, those materials with the highest recycling rates (and therefore the stewards of these materials) will attract the highest costs.

In other words, the more LCBO suppliers switch to light-weight packaging with low recycling rates, the less the LCBO will have to pay.

**PPS
Review
November
2005
Page 5/8**

BC prepares to add WEEE, tires to its Recycling Regulation

British Columbia received submissions this fall on the proposed addition of waste electronic and electrical equipment (WEEE) and tires to the province's Recycling Regulation.

The addition of a schedule for electronic equipment and tires provides the regulatory basis for the development of extended producer responsibility programs. However, the schedule will not set out the elements of the programs, such as how they will operate or how they may be funded, which is the responsibility of the producers.

The regulation would cover producers of electronic products such as computers, computer monitors,

computer accessories, desktop printers and televisions.

BC's environment ministry intends eventually to widen the scope of electronics products covered after full consultation with the applicable producers.

While no date for the submission of a product stewardship plan for approval has been established yet, it is expected that the plan would be approved and the program fully operational by mid-2007.

TIRES

The ministry also intends to expand the Recycling Regulation by adding a schedule for tires.

Included in the tire regulation would be those types of tires that are currently being recycled under the existing Financial Incentives for Recycling Tires (FIRST) program. Accordingly, the ministry intends that the tire schedule will apply to tires with an inside rim diameter of less than or equal to 24.5 inches on vehicles, licensed for use on highways, such as automobiles (all classes), trucks, buses, trailers, motorcycles, tractors and all-terrain vehicles.

The ministry intends eventually to widen the scope of tire products covered after full consultation with the applicable producers.

The ministry plans to add the schedule for tires to the Recycling Regulation in early 2006. It will specify a date for the submission of a product stewardship plan to the ministry for approval and a date for implementation of the plan. While this date has not been established yet, it is expected that the stewardship plan will be approved and the program fully operational by mid-to late 2006.

The ministry expects the transition from the existing government-managed FIRST program to an industry-managed program to occur with minimal disruption in service delivery.

The ministry says it has been discussing the potential changes with the tire producer associations and current program participants. It is expected that the current tire recycling pathways (collection, transportation, processing) will remain unchanged through the transition period.

Discussion paper has suggested changes to blue box funding formula

Stewardship Ontario has issued a discussion paper relating to the current Blue Box Program Plan Review for 2007.

It describes the purpose of the review and includes the options that have been suggested to date by stakeholders to modify or replace the current funding formula.

The paper is intended to provide background information so that all potential modifications or alternatives to the funding formula can be identified and described in sufficient detail to assess their merits (within the scope of the review and in meeting the guiding principles) and how they could be practically implemented.

This information will be required by Stewardship Ontario by December 22 in order for all possible changes to be modelled in time for the Blue Box Program Plan Review steering committee to make any recommendations regarding changes to the funding formula before the 2007 fees are calculated.

Various stakeholders have suggested changes to the existing

funding formula. Areas where changes have been suggested include factor weightings, common program costs, aggregation of printed paper fees, disaggregation of plastic and paper packaging fees, credit for recycled content and biodegradability, rewards for using materials with a reduced impact on the waste stream, revisiting the *de minimis* level, and using steward data for generation and recovery.

Suggestions deemed to be outside the scope of the review included eliminating in-kind contribution for the newspapers associations, unit-based fees for all materials, collecting stewardship fees directly from the consumer, setting fees by individual brand and establishing a schedule or cap for increases in fees

It is expected that additional suggestions will be made during this consultation.

The discussion paper, a description of the process and the proposed schedule can be downloaded from the Stewardship Ontario website (www.stewardshipontario.ca).

FOLLOW UP

WDO minutes approval

Editor's note: In a story on page 5/8 of the September 2005 issue of PPSReview ("MOE told tire fee unconstitutional, plan withdrawn by WDO—CSR"), it was noted minutes from the June WDO board meetings had not been posted on the Waste Diversion Ontario (WDO) website.

PPSReview has been contacted by WDO Executive Director Glenda Gies on this issue who has kindly provided the following explanation. Ms Gies has also provided PPSReview with a clarification surrounding the status of the proposed scrap tire plan.

"There was no scheduled WDO Board meeting in June. However, in order to deal with one item of business, WDO called a special Board meeting which occurred in mid-June. As this June Board meeting was called on short notice to deal only with the one item, it did not include any other items of business, for example, approval of the May meeting minutes. Consideration of the one item at the special June Board meeting was in camera. While the May meeting minutes and the June in camera minutes were both approved by the WDO Board at the July meeting, only the May meeting minutes were posted as in camera minutes are not posted on the website. The July meeting minutes were approved at the September WDO Board meeting and posted immediately after. Meeting minutes are only posted after Board review and approval."

"At the June meeting, WDO considered a verbal request from the MOE to withdraw the Scrap Tire Diversion Program Plan. The WDO Board indicated a willingness to withdraw the plan in response to the Ministry's request, but indicated that clarifications were required from the MOE as to why the verbal request was made and what revisions to the plan the MOE requires. This Board position was included in the letter to the Minister requesting clarification. Presumably, when WDO receives the requested clarification, the correspondence from the Minister will be available via posting on the MOE website."

Glenda Gies, Executive Director,
Waste Diversion Ontario

Minister gives go ahead for tire burning application

Ontario Environment Minister Laurel Broten's recent agreement to let a Lafarge Canada cement plant in Bath, Ontario go ahead with an application to burn tires and other wastes, without a full environmental assessment, opens up the door again to questions about burning as a waste treatment option for designated materials. (The company withdrew the portion of its application that dealt with burning used oil.)

Clause 25 (2) of the Waste Diversion Act clearly states that a waste diversion program developed under the Act for a designated waste "shall not promotethe burning of the designated waste."

The scrap tire plan submitted by Ontario Tire Stewardship includes burning as a management option, as does the plan submitted by Ontario Used Oil Management Association for managing used oil.

COMING EVENTS

December 5-7

Fourth Municipal Leaders Summit on Climate Change (ICLEI—Local Governments for Sustainability)
Montreal, PQ.
(416) 392-0273
www.iclei.org/montrealsummit

December 8

First Public Consultation Meeting on Blue Box Program Plan Review and Stewardship Ontario Funding Formula
Toronto, ON
(416) 594-3456
www.stewardshipontario.ca

December 9

SWANA Technical Session with BC Ministry of Environment
Burnaby, BC
(250) 538-0110
www.swanabc.org

February 2-4, 2006

Sustainable Communities National Conference and Trade Show, (Federation of Canadian Municipalities)
Ottawa ON
(613) 241-5221
www.fcm.ca

February 15-17, 2006

Association of Municipal Recycling Coordinators Spring Workshop
Hockley Valley, ON
(519) 823-1990
www.amrc.ca

February 19-22, 2006

Ontario Good Roads Association/Rural Ontario Municipalities Association Convention
Toronto, ON
(905) 795-2555

**PPS
Review
November
2005**

Page 7/8

Opinion Piece

The opinions expressed in this column are not necessarily those of PPSReview

It's the packaging, stupid—or is it?

by Jay Arthur

With the festive season fast approaching and the likelihood that I will be further increasing my already substantial investment in the province's liquor stores, this shareholder has a question. What on earth is going on?

I'm not talking about the fancy new gin palaces they are building to sell me booze, although it's tempting. I suppose when you are bringing in a cool billion in profit each year, you are inclined to swagger a bit and put on graces. A little arrogance is to be expected.

And it just goes to prove that sales is not just about what is inside the packaging; it is also very much about the packaging itself.

So all this talk about replacing glass bottles with other packaging like aseptic cartons is very intriguing.

But first, since when did glass become such a pariah? For hundreds of years, the glass bottle has been happily holding our wine and liquor (and our beer). It gets no respect in the blue box however. In most cases, it gets used once to make a bottle and the less than two-thirds of those bottles that come back are crushed and landfilled into roadbeds. And they call it recycling.

Against that prospect, aseptic cartons look pretty good. Clearly a lot cheaper to transport, paper, plastic and aluminum are used to make the container and some of the paper is recovered in the blue box (although very little right now) and made into paper towels.

But if those glass bottles could be either reused or recycled into new bottles, the environmental equation changes dramatically.

One of the things that the extreme green folks have pushed for years is the idea of standardized packaging. They say it would cost a lot less and the opportunities for substantial waste

reduction at source and reuse would be vastly increased. And they're right.

"Impossible!" cry the producers, whose marketing department staff need deep breathing exercises every time the idea is broached. (The environmental staff are not allowed in those meetings. They only get to attend when they need to justify a marketing decision.)

Every time the notion of washing and reusing wine bottles has been suggested, it has been immediately shot down as impractical. Wineries wouldn't want their product in the same bottles, we are told. Who is going to pay a high price for a bottle of wine if it looks like every other product on the shelf? It's just not going to happen.

"... if the packaging for wine is so important that we can't use the same bottle design for wine, how come it's suddenly okay to use aseptic cartons?"

You would have thought that someone would have quietly pointed out there are labels on wine bottles. These are designed to differentiate one product from another, with things like brand names, descriptions of the contents and other little niceties like "*appellation controlee*". One can only assume that the marketing guys who could explain all this are still out of the room hyperventilating when these questions arise.

Of course there is always the possibility that because this idea is usually brought up in conjunction with calls for a deposit-return system at the LCBO, the decision makers still have their hands over their ears and miss this important information.

The fact that the makers of beer have been using the same bottles for years seems to have escaped everyone's notice. Then again, mention the brewers in an LCBO boardroom and

those hands go right back to the ears.

So if the packaging for wine is so important that we can't use the same bottle design for wine, how come it's suddenly okay to use aseptic cartons? You may well ask.

It seems the sales of the French wine in the new screw-top, composite packages are going through the roof, even if they do look as if they belong in the fridge next to the milk.

So this is good news, because it clearly demonstrates to the LCBO bigwigs that consumers can and will read labels. Otherwise they would be wondering why the liquor store was selling orange juice and why it was so darned expensive.

That means we could standardize wine bottles, even for French wine, and people would buy it. And if there were some way to get those empty bottles back intact, maybe they could be washed and refilled—just like we do with beer. Even if not reused in this way, they would be a lot easier to recycle and hence a lot more valuable.

Obviously we won't be shipping empty bottles back to France, but we have a lot of wineries right here in Ontario that could use those empties.

I fully realize that at this point the LCBO bigwigs are now screaming out loud in addition to covering their ears, just to be sure they don't hear this.

So we need to find away of getting this message on to an aseptic carton wine label.

We know they'll read that.

**PPS
Review
November
2005**

Page 8/8