



FLEXIBLE PACKAGING & SUSTAINABILITY

FPA Gains Insight from Tour of an Energy-from-Waste Facility



MARLA DONAHUE, FPA PRESIDENT

The Flexible Packaging Association continues to be

an active and vocal participant in the discussion on sustainable packaging. In 2007, FPA launched an education campaign focusing on communicating the value and benefits of using flexible packaging to improve sustainability. Through the campaign, FPA has assisted its members and the flexible packaging industry in promoting flexible packaging as a sustainable packaging solution among CPGs, retailers and end-users.

To support these efforts, FPA published the *FPA Sustainable Packaging Report*, which examined initial drivers and trends of the sustainable packaging movement; conducted workshops that explained and simplified the completion of Wal-Mart's packaging scorecard; became an active member of Wal-Mart's Sustainable Packaging Value Network; and produced informational brochures that focused on the environmental advantages and sustainable benefits of flexible packaging.

To further support FPA's campaign efforts, FPA commissioned Battelle Memorial Institute, an international science and technology enterprise, to conduct a two-part study to assess energy consumption and potential end-of-life options for flexible packaging. This study provides a greater understanding of the energy savings and reduced emissions in the flexible packaging life cycle. Details of the

research results will be discussed during the 2009 FPA Fall Executive Conference on Thursday, Sept. 24 at The Ritz Carlton in Chicago, Ill.

Gaining Additional Insight

To gain additional insight on end-of-life options for flexible packaging, FPA recently participated in a tour of Covanta Montgomery Inc., an energy-from-waste (EfW) facility located in Dickerson, Md. The visit to the facility, operated by Covanta Energy, provided FPA staff and members of FPA's Sustainability End-of-Life Task Group with information and insights that will be helpful in developing FPA's position on energy recovery options for flexible packaging.

The tour, conducted by chief sustainability officer and senior vice president Paul Gilman of Covanta Energy, and facility manager Mark Freedman of Covanta Montgomery Inc., gave FPA a comprehensive overview of the facilities daily operations. On average, the facility processes 1,500 tons of municipal solid waste daily and generates up to 55 megawatts of renewable energy—enough power for 40,000 homes. Power generated from the waste is sold to a local power company for sale to the community.

During the visit, Covanta executives noted that EfW facilities currently provide 17% of non-hydroelectric renewable power in the U.S. If all waste currently buried in landfills was instead processed at EfW facilities, enough energy would be produced to eliminate the use of oil for electrical power in the U.S.

While the capital investment to build the EfW facility is approximately

\$550 million, the facility also has a positive financial and environmental impact on the community. A study by the Environmental Protection Agency notes that EfW facilities provide the most energy recovery with the least environmental impact of any waste management option. Energy from waste facilities create fewer CO₂ and sulfur dioxide emissions than coal, oil and natural gas. The Covanta Montgomery Inc. facility voluntarily monitors its greenhouse gas emissions and publishes the results hourly on its public website.

To learn more about the Covanta Montgomery Inc. EfW facility, visit www.covantaholding.com. For more information on FPA's flexible packaging sustainability initiatives and activities, visit FPA's website, www.flexpack.org, or contact FPA at (410) 694-0800. ■

FPA Sustainability Task Group

FPA would like to give special thanks to the Sustainability-Energy Working Group for their dedicated time and hard work.

- Ron Cotterman, *Sealed Air Corp.*
- Glenn Emory, *Printpack Inc.*
- Paul Kearns, *Exopack LLC*
- Shanna Moore, *DuPont Co.*
- Mark Montsinger, *Bryce Corp.*
- Sal Pellingra, *Ampac Packaging LLC*
- James Rooney, *Alcan Packaging*
- Abdelhadi Sahnoune, *ExxonMobil Chemical Company*
- George Thibeault, *Constantia Hueck Foils LLC*
- Jeff Wooster, *The Dow Chemical Co.*



STATE OF THE FLEXIBLE PACKAGING INDUSTRY REPORT EXAMINES MATERIALS & PROCESSES, END-USES

The FPA's *2009 State of the Flexible Packaging Industry Report* provides a comprehensive overview of the U.S. flexible packaging industry's financial and economic health by examining industry growth, imports and exports, M&A activity, and profitability. Information in the report is based on the FPA member-based State of the Industry Survey and the non-FPA member Industry-Wide Converter Survey. This issue of FPA Update focuses on the End-Uses and Materials & Processes sections of the report.

END-USES

Flexible packaging is used to package a variety of products. Flexible packaging represents 18% of the U.S. packaging industry and is the second largest packaging segment in the industry, with approximately \$25.9 billion in annual sales. This includes flexible packaging for retail (food and non-food), institutional (food and non-food), consumer products, retail poly-bags, industrial applications, and medical and pharmaceutical products. The report notes that 89% of survey participants

produce flexible packaging for retail food end-uses.

MATERIALS & PROCESSES

Converting raw materials into flexible packaging uses a variety of materials and processes, including coating of films and paper, laminating or coextrusion to combine materials, and printing or fabrication to produce flexible packages. The report notes that these materials are weighted toward plastics with "plastic resins" and "film and sheet" accounting for 71% of materials used in the industry. The report details that polyethylene (PE) is used by 93% of survey respondents and accounts for 37% of total film use. For all converters participating in the surveys, 84% noted use of PE resins. ■ ▶

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The Flexible Packaging Association Thanks Our Supplier Members.



To learn more about these FPA members and their flexible packaging supply capabilities, contact FPA at (410) 694-0800 or visit www.flexpack.org.

The Flexible Packaging Association recognizes and gives special thanks to the Associate Members for their continuous support of, and contributions to, the flexible packaging industry.





FPA ISSUES FIRST QUARTER 2009 PULSE OF THE INDUSTRY REPORT

The Flexible Packaging Association's *First Quarter 2009 Pulse of the Industry Report* is the most recent in a series of FPA reports addressing questions regarding the performance of the flexible packaging industry in current business conditions.

Information within the *First Quarter 2009 Pulse of the Industry Report* is compiled through FPA's First Quarter 2009 Pulse of the Industry Survey, which is distributed to FPA converter members. Responses to the survey were received from 56% of FPA's converter membership. These companies represent

approximately \$10.4 billion in annual revenue (41% of flexible packaging industry sales).

The focus of the *First Quarter 2009 Pulse of the Industry Report* is short term, examining first quarter 2009, versus fourth quarter 2008 and first quarter 2008. Areas of business activity assessed include net sales, volume/output, profitability, inventory levels, capital spending and capacity utilization. In addition, information was gathered to assess expectations for sales performance and volume/output in the second quarter 2009 versus first quarter 2009.

The *First Quarter 2009 Pulse of the Industry Report* is a benefit of membership. For more information, contact FPA at (410) 694-0800. ■

FPA WELCOMES NEW MEMBER

FPA is proud to welcome converter member Staples Print Solutions to the Flexible Packaging Association. Staples Print Solutions manufactures labels and flexible packaging, including shrink sleeves, roll-fed pouch stock, in-mold labels and roll-fed wrap labels. The FPA official representative is Lou Thurston, senior manager, Label Business Development. The FPA alternate representative is Dennis Francis, vice president, Label Business Development. ■

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