

Light-Weighting is Key Sustainability Driver for Sonoco

28/07/2008- Light-weight packaging is one of a number of initiatives global packager Sonoco is employing to cut its environmental footprint and production costs, claims the company in its first annual sustainability report.

The packager said that it established a sustainability council in 2005 to ensure its long term profitability and viability.

"We have increased our emphasis on sustainability because of public concern with global warming, investment community interest and opportunities for cost reduction," a Sonoco spokesperson told FoodProductionDaily.com.

The supplier of rigid and flexible packaging for the food and beverage sector said that it is focusing its efforts on five areas: energy consumption, greenhouse gas emissions, air emissions, water consumption and landfill waste.

It claims that over the past six years it has reduced the energy used to produce a tonne of paperboard in its North American mills by more than 12 per cent, while also staying focused on its longer-term goal of achieving zero landfill waste from operations.

Light-weighting

Sonoco claims that light weighting is a major concern for manufacturers' carbon footprints, enabling a reduction in both the packaging material and energy requirements during transportation.

The spokesperson said that the recent switch to composite cans over the metal variety for infant formula packaging has been a successful green initiative as part of the focus.

"Composite cans provide the same performance in abuse resistance and shelf life, but have a reduced environmental footprint through a 27 per cent reduction in material weight inputs, a 34 per cent reduction in energy inputs and a 20 per cent reduction in greenhouse gas emissions," said the spokesperson.

According to the company, in terms of flexible packaging sustainability, it has developed a non-foil retort pouch to replace rigid containers that results in a 97 per cent reduction in material weight.

Sonoco said that it has also been focusing on the use of down-gauged metals to produce convenience closures and it claims that the total metal used has been reduced by approximately 10 per cent.

It said that it is also working to eliminate all solvent-based compounds, having already converted some customers to water-based compounds and coatings.

Input costs

Despite the energy conservation and productivity initiatives throughout its paper mill system, the company said that it has not been able to offset the high energy prices of the first six months of 2008, which are being passed on to its North America customer base.

Last month, the company announced a \$40 per tonne average energy surcharge for its uncoated recycled paperboard products, effective from 14 July.

Financial results

Second quarter sales this year for Sonoco's consumer packaging segment, which includes composite and plastic rigid packaging, printed flexible packaging and peelable membrane ends and closures, increased 14 per cent to \$398.2m (€252.9m), compared with \$348.5m (€221.3m) in the second quarter of 2007, according to the company's financial statement released this month.

The company said that base operating profit for this segment was \$32.5m (€20.6m) in the second quarter of 2008, up 44 per cent when compared with \$22.5m (€14.2m) in the same period in 2007.

However, the packaging supplier claims that the higher selling prices were offset by raw material inflation and higher energy, freight and labour costs.

Source: Food Production Daily, July 28, 2008