



# Donna Harman

## President & CEO

Challenges and Opportunities for the  
Paper-Based Packaging Industry



# Extended Producer Responsibility

Manufacturers are responsible for the entire lifecycle of what they produce – from cradle to grave



# Extended Producer Responsibility

4 ways EPR is being developed in U.S.

- Specific Product Legislation
- Framework Legislation
- Solid Waste Management Plan
- Governor's Directive



# Extended Producer Responsibility

## Framework Legislation

- Establishes State EPR policy
- Authorizes regulation of products
- Regulations written later



# Extended Producer Responsibility

- U.S. paper recycling -- a success story
- Recycling infrastructure supported by fundamentals of supply and demand
- 87% of population has access to paper recycling
- Current public private partnership works well for paper and packaging



# Extended Producer Responsibility

- Leveraging through coalitions
- Hired state lobbyists in key states
- Testifying in key states
- Educating about the downsides
- Willing to consider alternatives



# Extended Producer Responsibility

- Legislation in Iowa, Maine, Massachusetts, New York, Oregon, Rhode Island and Vermont
- Vermont targets producers of packaging and printed material
- Support alternatives that recognize paper/packaging voluntary leadership



# AF&PA's Sustainability Goals



BETTER PRACTICES  
BETTER PLANET 2020

Continuing AF&PA's Commitment to Sustainability





BETTER PRACTICES  
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## *Goal: Paper Recovery*

- Increase paper recovered for recycling rate to exceed 70%





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## *Goal: Energy Efficiency*

- Improve energy efficiency in purchased energy by at least 10%





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## *Goal:* **Greenhouse Gases**

- Reduce intensity of industry's greenhouse gas emissions by at least 15%





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## *Goal: Forestry*

- Increase procurement of certified fiber
- Promote policies around the globe to decrease illegal logging





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## *Goal: Safety*

- Visionary goal of zero injuries
- Interim progress of 25% reduction in safety incidence rate





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## *Goal: Water Consumption*

- Explore opportunities to reduce water consumed in our processes
- Determine whether or not to set a future consumptive use goal



# Commodity Check-off Program

The paper and paper-based packaging check-off program is a new and distinct effort that promotes the broad category of paper and paper-based packaging products



# 16-Member CCP Panel

- **Doyle Simons, Chair**  
Temple-Inland Inc.
- **Mike Adams**  
Georgia-Pacific LLC
- **Malcolm Bunday**  
Evergreen Packaging, Inc.
- **Jim Buzzard**  
MWW
- **Al Dragnone**  
Unisource Worldwide Inc.
- **Mike Fiterman**  
Liberty Paper, Inc.
- **Mark Gardner**  
Sappi Fine Paper North America
- **Bill Hoel**  
International Paper Company
- **Mike Jackson**  
Verso Paper
- **John Knudsen**  
Smurfit-Stone Container Corporation
- **Randy Nebel**  
Longview Fibre Paper & Packaging, Inc.
- **Jim Rubright**  
RockTenn
- **Mark Kowlzan**  
Packaging Corporation of America
- **Alexander Toeldte**  
Boise, Inc.
- **Ken Wallach**  
Central National-Gottesman Inc.
- **John Williams**  
Domtar Corporation



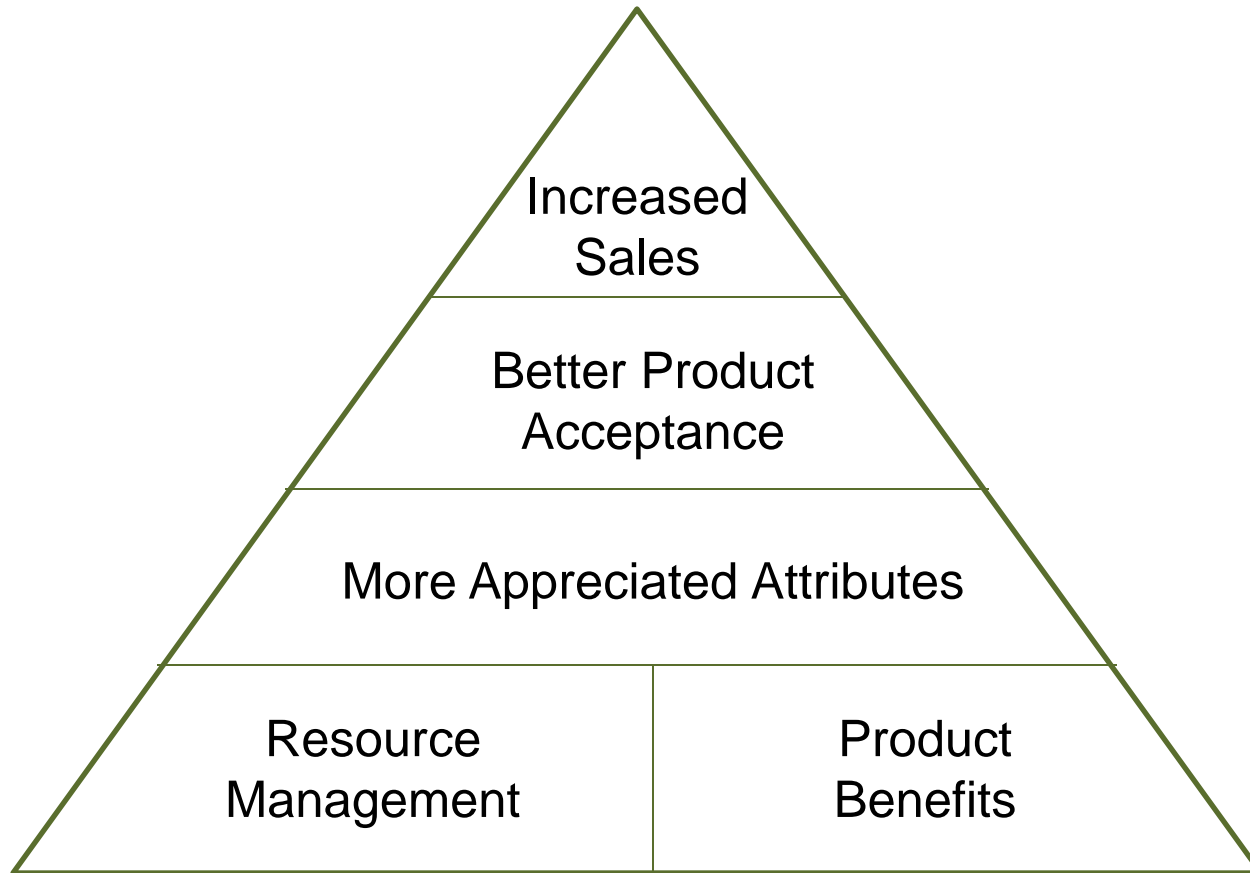
# Commodity Check-off Program

Objective:

Increase sales (or slow the decline) of  
paper and paper-based packaging



# Achieving Business Objectives: How to get there?



# Research Driven

Identify a common message that advances the market for all paper products, from containerboard to paperboard to packaging to stationery to catalog papers



# Atmospherics

## Negative Pressures

Misconception of how paper is made

Value imbalance of paper vs. trees

Functionality preference for digital media

Belief that using paper is wasteful

## Acceptance and Use of Paper

Strong preference for paper products over plastic

Nostalgia and emotional connection

The renewability and recyclability of paper is consistent across grades

Some belief that paper and technology can coexist

Effective messages that correct faulty environmental perceptions

## Strengths and Assets



# Key Messages

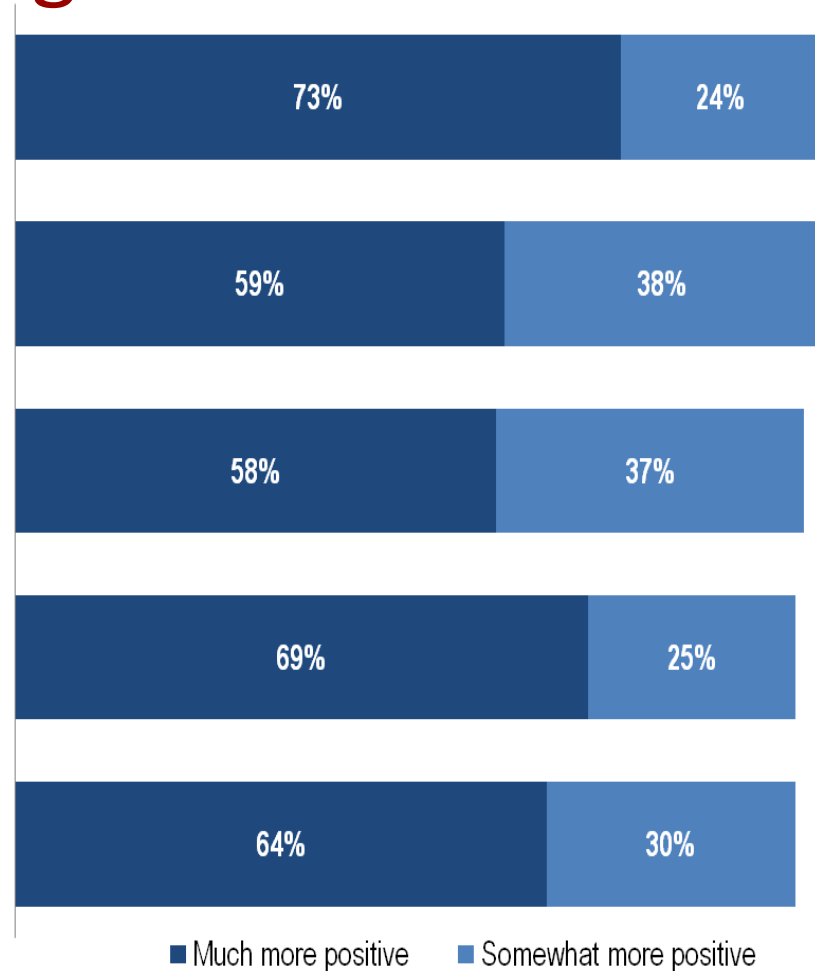
Paper recycling: one of our greatest environmental success stories and one of the world's most recycled materials.

Paper's value and utility go beyond communications and packaging. Paper products perform a variety of vital roles.

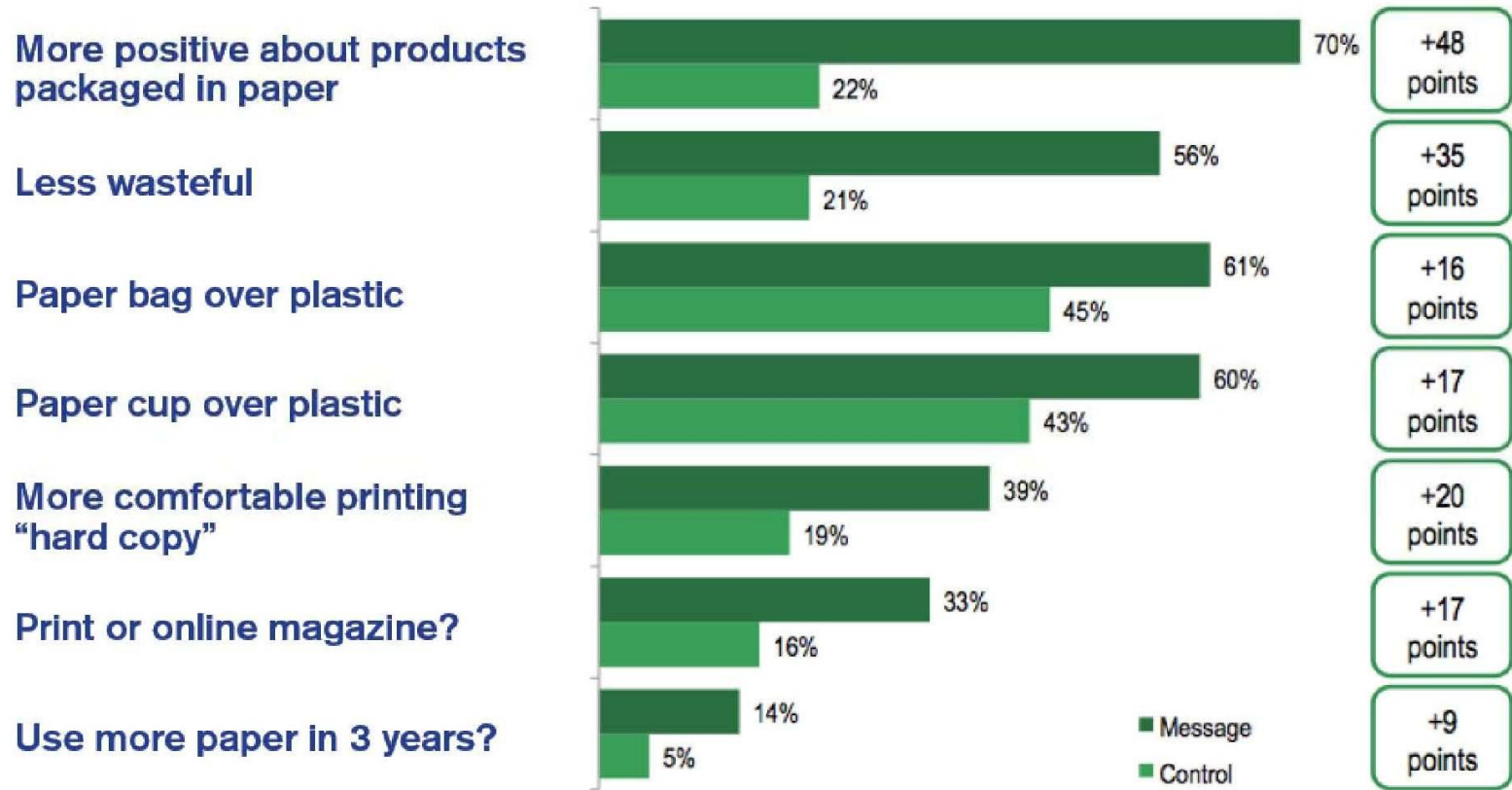
There's no limit to how paper can be re-invented.

About 3 million trees are planted in U.S. private forests every day. There are 20 percent more trees in the U.S. than there were over 25 years ago.

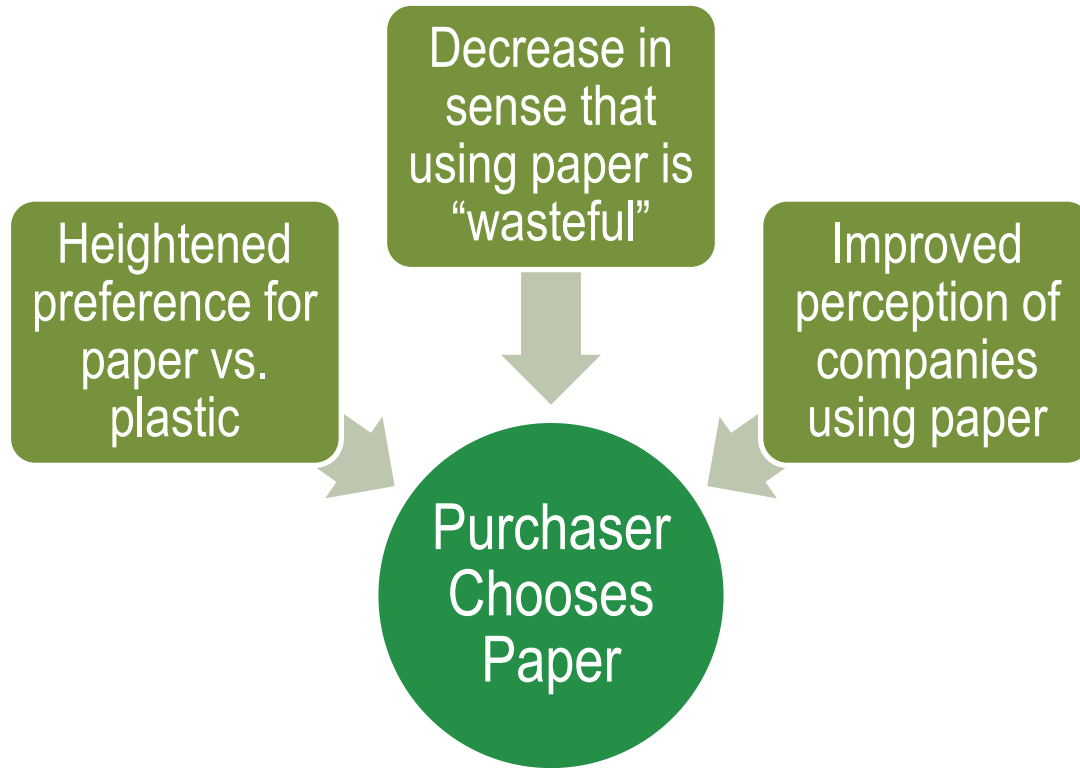
Paper mills produce nearly 2/3 of their own power by using biomass material, saving almost 280 million barrels of oil every year (equal to taking 19 million+ cars off the road annually).



# Significant Impact on Attitudes



# Change Buying Habits





**American  
Forest & Paper  
Association**

# Commodity Check-off Program

Next steps:

- Submit the proposal to USDA
- Outreach to Industry
- Public review and comment period
- Industry referendum
- Early 2012 program launch





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