ECOLOGY AND THE FOOD BUSINESS

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Discusses the role of a private business enterprise in waste disposal and the company's emphasis on developing a resource recover system.

The soft drink industry has a real concern for the municipal solid waste problem, as our packaging contributes to the volume that must be handled, but we are even more concerned with the solid waste that misses the main stream and winds up as litter.

Latest estimates show that all soft drink packaging accounts for only 1% of total municipal solid waste. And, according to a study of roadside litter in 29 states, only about 3% of the debris was comprised of soft drink cans and 2% was soft drink bottles. However, bottles and cans are so highly visible on the litter scene that we are preceived as being a much greater contributor than is the actual case.

In the past few months the solid waste problem has greatly increased in dimension as a national issue. We were formerly discussing the matter of cost of handling, or the aesthetic issue, or land reclamation -- we have escalated to a crisis in depletion of natural resources and energy. Certainly, one of the most controversial issues today is the energy shortage -- how critical is it? And another top rated issue would be -- who is to blame?

My company has joined with many others in taking the position that we consider the use and disposition of resources as an urgent problem -- not only for this country, but for the whole world, and we are determined and committed to doing more than our share to find solutions. And we arrived at this decision, not as a reaction to pressures from any source, but from an obligation to fulfill the social responsibilities that are the reasonable duties of a leading business institution.

Our experience thus far has led to one overwhelming conclusion -- one that registers loudly and clearly time after time: the problem is extremely complex, inter-related with all the other ecological factors -- and solutions are not easily discovered.

There are three principal areas to explore in studying how to deal with our resources. The first is -- development of new resources and energy.

Some feel that nuclear energy could be produced in quantities to supply the next several generations. However, others point to the potential radiation hazard and warn us against pursuing this course.

Some feel that the technology for harnessing solar energy will be the answer for all time. Others say it will be too late. Also, that even though it be considered in terms of millions of years, the solar system, itself, is, after all, finite.

In any case the prospect for new energy sources appears to be beyond the

horizon for us here today, and we cannot afford too much reliance on this solution; rather, we must deal with the situation as it is now.

A second area to be explored is -- conservation of resources and energy.

By limiting the use of resources we retard our growth rate and extend the time needed to develop other sources. In a society that is founded and matured on a system that is highly efficient in converting raw materials into manufactured goods, this proposal raises a whole lot of questions -- to say the least. So, to begin with, how do we decide where resources are to be allocated? What are we willing to forego? Certainly, not the automobile -- we simply must have our business car, and my wife needs a car, and the teenagers need a car, and then there's the sports car. Maybe we could do without nonreturnable bottles -- or frozen dinners, motor scooters, or hundreds of other convenience items. Of course, we couldn't do without jet planes, but we might make travel more efficient by restricting take-offs until every seat is filled.

The problem is how to manage options, assuming we could agree on who should manage our options. Experience with rationing in war time has demonstrated that it can work reasonably well under certain circumstances. Whether our society has reached the point where it can work without such pressure is an unknown.

A current experiment in managing options is the Oregon Mandatory Refund Law which requires a 2¢ - 5¢ - 10¢ refund on all soft drink and beer packages, including nonrefillable cans and bottles. The method is to assign an artificial value to empty cans and non-returnable bottles, for greater than the intrinsic value. The purpose is to keep these packages in the solid waste stream, thus reducing litter.

The law took effect last October and the immediate result was withdrawal of all nonreturnable glass packages. Chain stores, along with many soft drink bottlers also withdrew cans from the market. The regional soft drink can manufacturer, did not believe the consumer would forego the option for cans, and determined to stay in the market -- apparently he read it correctly -- he is still in the market -- and some chains and bottlers have reintroduced cans.

The thrust of the Oregon experiment was aimed at litter; rather than solid waste or resource conservation. Although it is not possible to measure litter results statistically, the prevailing impression is that the litter situation in Oregon has been substantially improved. Some attribute this entirely to the mandatory refund bill. Others see it as a minor factor compared to the overall campaign of increasing public awareness of the litter problem and changing behavioral patterns by creating a new norm, wherein littering is perceived as anti-social behavior.

Any judgment on success or failure of the Oregon experiment is premature because the actions, reactions and interactions are still in the development stage. An impact study is underway by a professional organization. Their timetable calls for a report no sooner than January, 1975. It will be addressed to only three areas -- Litter - Economy - and Consumer Attitude .

Our observations thus far indicate that there will be no effect on the solid waste problem and a trade-off on resources and energy. Less material will be used for packaging while more energy

and labor will be required for sorting, handling, warehousing and transporting. And the consumer will pay a higher price for returnables -- some estimate the increased cost for beer and soft drinks will be several times more than what has been spent on litter control in the past.

A similar law in Vermont took effect September 1st and we do not have a reading on it as yet.

A third area to explore in approaching the subject of resource and energy management is - resource recovery.

We consider this as the most desirable, as well as most logical. It completes the loop in the eco system that is necessary to sustain our system and provide continuity. Moreover, it is compatible with our economic system as we know it today and therefore, more manageable.

To enforce our commitment to this principal we have joined with other soft drink, beer, and packaging businesses in the National Center for Resource Recover, Incorporated.

The mission of the National Center is to coordinate the efforts of industry and labor with those of government and other public and private institutions at all levels, in applying modern systems, technology and management to effect better utilization and conservation of potential resources discarded in municipal refuse. This mission is accomplished through improved solid waste management and resource recovery.

A primary objective of the National Center is then to demonstrate - on a national scale - that "front-end" materials processing and recovery and "back-end" energy recovery can be economically and technically viable options to solid waste disposal practices in many cities.

The Center will continue to function as a central communications center for governmental agencies, industries, individuals and private institutions involved in the many aspects of solid waste management and resource recovery. It will collect, develop, and disseminate information and facts through publications and public awareness programs, and also coordinate internal and external expertise in designing, operating and evaluating solid waste management systems.

The Center will continue its commitment to demonstrate the technical and economic feasibility of front-end materials recovery from mixed municipal refuse.

Entailed in this effort will be the continued development of specifications and markets for recovered materials, and an active testing program for materials separation and recovery processes. Once the prototype system is proven, the Center will catalyze an operational network of replicate facilities throughout the country.

The Center will develop capabilities and conduct projects to demonstrate the potential of municipal refuse as a fuel source to help alleviate the country's energy problem. Energy recovery - coupled with materials recovery - will make it possible to recover virtually all the values in municipal solid waste.

The Center will serve as a professional advisory service to all levels of government. As a source of technical and managerial knowledge, the Center will advise U.S. cities and states on handling and recycling their solid waste in an efficient and positive manner.

Today, this committee is in New Orleans to launch an experimental recovery system with machinery that utilizes the "front-end" separation and "back-end" reclamation principle, which means that the technology has developed past experimental state to the practical stage.

We are further encouraged by the program adopted in Connecticut.

Connecticut is creating a system to conquer its garbage through converting it into useful materials and fuel. Ten giant resource recovery centers to be built around the state will shred this solid waste, separate out glass, steel and aluminum for recycling, then will burn what's left to produce electric power.

By 1985, it's estimated the centers will recover enough steel from the solid waste to build 200,000 cars, enough glass for 450 million bottles, and will have converted the pulverized solid into fuel for 10% of the state's electricity.

Some other advantages about the plan are that it

Cuts cost of trash handling -- to save over $50 million during the next two decades.

Reduces need for landfill space by 80%.

Cuts air pollution from burning waste by 70%.

Connecticut's Department of Environmental Protection has worked with the General Electric Company in planning for the solid waste processing plants. Private industry's participation in the system will also help the capital outlay involved.

And, there were some very sophisticated legislators who have looked beyond the immediate problem of litter to the really serious area of solid waste.

In summary let me restate these three points.

1. We are committed to contribute to solutions for the problems of solid waste, resources and energy and litter, not solely because of our involvement in packaging, but from a sense of social responsibility.

2. We support the maintenance of consumer options in selecting packages, whether in soft drinks, beer or convenience items of all kinds.

3. We propose that resource recovery is a viable solution to handling municipal solid waste, and is essential to sustaining our supply of energy and the entire eco system.

And finally, I would like to suggest that since the retail food industry has a vital interest in the matter of packaging and in maintaining consumer options, then we and you have a common cause in helping to develop a resource recovery system. We would be pleased to cooperate with you in furthering this program.