

Frequently Asked Questions about the BPEC Research Presented at NRC's Annual Congress & Expo, August 2005

1. Can I get a copy of the BPEC report?

BPEC has not prepared a written report of its initial research findings. Additional work on the data is taking place. After BPEC determines its next steps, it may prepare background and outreach materials that would incorporate these findings, but no such documents exist now. The PowerPoint slides presented in August 2005 at the NRC Congress & Expo are available on NRC's website at www.nrc-recycle.org.

2. Can I get the specific figures used in the research, such as the total units or tons of beverage containers?

What BPEC released at the NRC Congress & Expo was preliminary data. BPEC is in the process of reviewing its initial results with its industry partners, including material suppliers, trade associations, and non-member companies. Ideally, this review would have been completed before the Congress & Expo; however, BPEC felt it was important to present its findings to the recycling community at the Congress & Expo, even though the review was not yet complete. After this review process is complete, BPEC intends to release aggregate sales and recovery figures.

It is important to note that, in general, the data used to derive total tons and containers sold and recycled are publicly available and not proprietary to BPEC companies. The principal information that is proprietary to the companies is the point of consumption data.

3. How did BPEC develop the data?

BPEC members did not conduct this research themselves. They hired a team of experienced consultants to aggregate and analyze existing beverage industry data (e.g., point of consumption data) and recycling industry data (e.g., recycling rates) and to draw conclusions after evaluating the information. The consulting team offered BPEC broad experience spanning the beverage industry, recycling policy, and recycling program implementation and analysis. The team included Northbridge Environmental (Westford, MA), Cascadia Consulting Group (Seattle, WA), and DSM Environmental (Ascutney, VT).

4. What were the specific sources of data?

BPEC's consultants based aluminum sales and recycling information on publicly available can sales and recovery data from the Aluminum Association, Can Manufacturers Institute, and Institute of the Scrap Recycling Industries. Allocation of aluminum cans across various beverage sectors were based on *Beverage Marketing's* Annual Beverage Packaging reports and some company-specific data on sectors not covered or incompletely addressed in the *Beverage Marketing* series.

For PET and HDPE, the totals are based on annual reports from the American Plastics Council/American Chemistry Council and the National Association for PET Container Resources (NAPCOR), although some modifications were required to isolate beverage container material from non-beverage container material. Again, the distributions across product categories were based on

Beverage Marketing data, supplemented with company-specific data and USDA data on milk packaging.

For glass, the process was more complex, since no reliable, aggregate sales and recovery data are available. Aggregate sales data compiled for the U.S. Environmental Protection Agency (EPA) do not isolate beverage packaging, and recovery data are not reliable. In this case BPEC modified the EPA data with *Beverage Marketing* data and supplemental industry data on specific beverage categories.

5. Where does the point of consumption data come from?

The overall process for calculating the point-of-consumption figures is outlined on slide 16 (Data Development – Generation) of the PowerPoint presentation. BPEC developed a matrix of beverage containers by product, material, and size, along with a companion matrix by weight. These were based on the approach outlined above in Question #4.

BPEC's consultants then applied data provided by the member companies to apportion the point of consumption for each product type, container type, and container size combination. The point of consumption data (explained further below) were available for more than 90 percent of aluminum, glass, and PET containers and tons. BPEC is collecting additional information on wine and spirits to provide even more complete coverage and to include HDPE in its analysis. (HDPE beverage containers were not covered in the point-of-consumption analysis, although they are overwhelmingly consumed at home.) Based on the consultants' best judgment, BPEC believes the additional data being collected will strengthen the conclusions relative to the concentration of material in homes, workplaces, and on-premises accounts.

The point-of-consumption data were derived from consumer behavior studies conducted by the various members of BPEC. These studies use a variety of tracking approaches (logs, questionnaires, computers) to document information about the circumstances in which beverages are consumed. While BPEC sought information about only the consumption location for various package types, this research also captures other information such as time of day, other food and beverages being consumed, number of people present, portion of product consumed, etc. These data are fundamental to the companies' understanding of how their products are being used and how they can better respond to consumers' needs.

The consumption locations tracked by the various firms do not all coincide, but many were common to all studies including at home (including your own residence or someone else's), offices or workplace, on-premises accounts (capturing a wide range of restaurants, bars, clubs, casinos, etc.), and cars. Information on other locations such as schools, other modes of transportation, and outdoor events were not tracked consistently and thus were placed in the "other" category.

To say that this information is sensitive is an understatement. Member companies are concerned that the release of this information could reveal proprietary information to competitors. BPEC does not anticipate releasing any additional detail on these data because of these concerns.

6. How was U.S. EPA data used?

As noted in Question #4, BPEC used EPA's glass container sales and recovery rates published in their periodic waste characterization studies. While the sales/generation data isolate beer, soft drinks, wine, and spirits, many beverage containers are also included in the food category. This is where supplemental information from *Beverage Marketing* and industry sources was used to arrive at an adjusted "all beverage" figure. BPEC also applied EPA's recovery rates for the various segments, but BPEC's consultants do not believe these are reliable, as discussed in the presentation. The 2002 data were used to conform to the other 2002 data in the analysis. As newer information becomes available, BPEC plans to update its data.

7. I disagree with the results of the BPEC research. How can I share my perspective with BPEC?

BPEC's consultants produced this research using, to their knowledge, the best data available. BPEC members are committed to continuing to help interested stakeholders understand the results of this research and use them as needed for any planning they may be doing to increase recycling. BPEC has had individual meetings with supply chain companies and with the U.S. EPA to discuss the research findings and to receive feedback. BPEC also presented the results at the NRC Congress in the spirit of openness. The vast majority of comments from these meetings have supported the findings. BPEC welcomes any feedback that challenges the findings if that feedback is supported by sound data. If you wish to share additional data with BPEC, it can be provided to Kate Krebs, NRC executive director, who will forward it on your behalf to BPEC.

8. Who has BPEC included in this process?

It is important to distinguish between the work of BPEC member companies as an organization and the research work performed by the consulting team (see Question 3). While BPEC members supplied data to the consultants (see Question 5), they did not conduct the research process themselves.

As a membership organization of beverage industry leaders focused on increasing container recovery rates, BPEC has met with many stakeholders over the past two years. BPEC was incubated through an MOU under the welcoming umbrella of the National Recycling Coalition, which provides facilitation support along with access to members that have particular expertise. BPEC members have met with a wide range of stakeholders and will continue to expand this engagement process. For example, BPEC has met representatives of the glass industry (Owens Illinois, St. Gobain, Anchor, Glass Packaging Institute), plastics industry (NAPCOR member companies and staff), aluminum industry (Can Manufacturers Institute, Aluminum Association, Alcoa, Novelis), beverage trade associations and the U.S. Environmental Protection Agency. During the NRC Congress & Expo, the research was presented to consultants and staff of state and local government, collectors and processors, colleges and universities, beverage trade associations, commodity companies, environmental organizations, state recycling organizations, and beverage companies.