



Thinking
beyond
the box

Stewardship Ontario

Opening remarks and presentation

by Stewardship Ontario Vice Chair, John Coyne – June 21, 2011

Before I begin, I would like to take this opportunity to thank Jim Quick on behalf of the Board and on behalf of our stewards. For those of you who don't know, Jim Quick, our Chair for the last two years, is moving on to the exciting world of aerospace, a world somewhat more removed from the immediate concerns of product stewardship. We will miss Jim's leadership and the passion and energy that he brought to building Stewardship Ontario. It was under his careful direction that Stewardship Ontario recently transformed from a financing organization wholly dependent on outside service providers to an operating company that has taken direct control and oversight of our business responsibilities.

I am personally indebted to him for his counsel and advice over the years. We wish Jim all the best in his new position.

This is Not Garbage

Good morning, and welcome to Stewardship Ontario's 2010 Sustainable Packaging Summit.

We have a distinguished panel of speakers with us today, and like you I am very much looking forward to their remarks and insights into some of the matters that concern all of us as stewards.

But before that happens, I'd like to take a few minutes to talk about this....

....the piles of stuff you see on the screen.

This is not garbage.

It may look like garbage. It probably smells like garbage. But this is NOT garbage.

No, in fact....

It is polar fleece.

It is park benches, flooring, and flower pots.

It is storage totes, step stools, and laundry baskets.

It is blue boxes – made out of the very material they collect.

It is PET water bottles made out of recycled PET water bottles

It is new paint...

And fertilizer for growing corn.

And it is much more.

It is valuable material for the commodity markets.

It is the power of innovation, and the excitement of new business ventures.

It is 7,000 jobs in Ontario.

It is the foundation of our Green Economy.

And it is just the beginning...

Welcome to our exciting new world of the material formerly known as garbage.

At Stewardship Ontario this represents our passion.

It represents creative opportunities for our stewards. And we have only just begun to realize its potential.

As stewards of the Blue Box and Orange Drop programs your participation in these programs is a demonstration of sustainability leadership, well-earned green credentials and consumer appreciation and reduced environmental footprints.

But there's more.

As leaders in sustainability, in Canada, and around the world, I don't need to tell you, our stewards, about the importance of change and innovation.

It's what you do for a living.

Stewardship Ontario shares your vision.

Everything we do is focused on reflecting and supporting your drive to innovate--to make your businesses, your packaging and your products more environmentally sustainable.

At Stewardship Ontario our mission is to create cost-effective and environmentally sustainable reverse supply chains for all this amazing material that historically was just buried in a hole in the ground.

Today Stewardship Ontario is taking action at every stage of the recycling supply chain from the point at which the consumer drops it into the Blue Box or leaves it at an Orange Drop to the point where it is transformed into a commodity for the manufacturing sector.

The stewardship fees that you pay also represent your investment dollars in such innovative companies as Gracious Living, Entropex, EFS Plastics, Photech, and RMC.

I want to tell you about them, because they are important examples of how Stewardship Ontario is building a leading, innovative recycling supply chain.

Gracious Living, has been a leading products manufacturer since 1980. It is partnering with Canadian Tire on its Blue Planet brand, an exclusive line of national products made from recycled material.

That line includes the Blue Box itself, made out of the very material it collects. Now that's a closed loop system!

This is not garbage! This is your investment dollars at work.

Entropex and EFS Plastics should be of interest to stewards of plastic tubs, yogurt capsules and clamshells.

These two companies convert your packaging into plastic flake.

Who buys this plastic flake?

One of their customers is none other than Gracious Living who uses it to make those very same blue boxes, as well as other great products.

The loops just keep getting tighter!

Have you ever wondered what happens to that left over paint and the batteries you dropped off at your local depot?

Phototech, a Niagara-based company, collects that paint, sorts it by type (acrylic or oil) and colours, and then sends it off to third-party buyers who turn it into new paint.

Phototech's new brand of recycled paint is set to launch this year. Stay tuned for more details.

RMC (Raw Materials Company Inc.), a family run business, in operation since 1991, collects and processes the batteries.

RMC recovers 100 percent of the materials and resells 86% of it directly back to manufacturers.

These materials stay in North America. All the steel is sold to Hamilton refineries (only 30 minutes away from their site).

Did you know that the zinc magnesium extracted from used batteries are transformed into fertilizer for growing corn?

I didn't.

But one thing I do know....

This is not garbage!

All of these companies have been the recipient of investment dollars from Stewardship Ontario on behalf of its stewards.

I invite you to read more about the work these great companies are doing on behalf of our stewards in this year's annual report.

And it is only the beginning.

Innovation and investment in a green future....

It's at the heart of what Stewardship Ontario does. And we do it for you --our stewards.

You invest in the future of Ontarians with your own businesses, and we are following your lead.

This is how Ontario-based business protects and enhances the environment.

Last year Stewardship Ontario achieved a 65% diversion rate for Blue Box materials – 5% above the mandated target of 60%.

It means that the Blue Box recycled almost a million tonnes of material last year. That sounds like a lot...and it is---about 8 CN Towers worth to be exact.

Thanks to committed arrangements among municipalities, stewards and consumers, Ontario's printed paper and packaging diversion rate is one of the highest in North America.

But Stewardship Ontario can do more on behalf of our stewards to increase recycling rates at a reasonable cost.

Consumers are telling us that they want to be able to put more packaging in the Blue Box.

With cooperation from our municipal partners, Stewardship Ontario can help make that happen, by widening the range of materials collected in the Blue Box and by encouraging each municipality to collect the same materials.

More and consistent material in the Blue Box means higher diversion rates and more available material for end-of-life markets -- but we need to do it in a way that doesn't drive up costs for stewards.

It's a fine balance we need to achieve as we work with business and municipal leaders on solutions to expand the "basket of goods" that is the Blue Box and build ever better and more efficient recycling supply chains.

However, the bottom line is that better quality and higher volumes of material in the Blue Box means a more efficient system for stewards.

Now let me share some facts about the Orange Drop Program with you.

Despite the controversy suffered by the program this past year, it still managed to divert over 26 million kilograms of material from Ontario's landfills and waterways.

What does that look like?

It means enough used paint and coatings to equal the weight of 2427 Adult African elephants.

It means enough oil filters to equal the weight of 151 full 18 wheeler transport trucks.

Its means enough batteries to equal the weight of 48 school buses.

85 per cent of Ontarians now have access to Orange Drop zones – places where they can deposit their material safely and securely.

All of this work is being done for you – the stewards – on your behalf, with your stewardship fees.

Stewardship Ontario's pledge to you is that we will continue to do it better, more creatively, and at a reasonable cost.

We hear and understand your concerns about escalating costs as stewardship programs proliferate across the country.

With Quebec having just recently passed a bill that mandates full EPR for printed paper and packaging by 2013 and BC having just passed a regulation that will require a full

EPR program by 2014, and Ontario potentially ready to follow, it is imperative that we continually find ways to manage and discipline the costs.

Building better recycling supply chains in Ontario will help.

Promoting harmonization by working with other stewardship organizations such as EEQ to harmonize program processes will also help.

Stewardship Ontario is already focused on finding efficiencies for its stewards in these areas.

But we, the stewards, need to take the lead on the harmonization issue.

I invite you to use Stewardship Ontario's Board and Management to provide some thought leadership in this area.

But speaking as Unilever, for a moment, I am issuing a call to action. Let us collectively, stewards and stewardship organizations together, not let this year pass without solving the "harmonization" problem.

And one more thing...

This is not garbage!

Thanks for listening. Now I would invite the audience to ask any questions you may have. SO's management team and I will do our best to answer them.

Thank you.