

BRIEF

Coca-Cola vows to collect, recycle its packaging by 2030

By Christopher Doering • Jan. 19, 2018

Dive Brief:

- Coca-Cola announced Friday a goal to collect and recycle the
 equivalent of 100% of the packaging it sells globally by 2030.
 The goal is part of a company-wide initiative called "World
 Without Waste." The company said while it would be
 impossible to get back all the packaging it sells, some of that
 pledge will include collecting packaging from other
 companies.
- The maker of Coke, Dasani water and Minute Maid juice also aims to create packaging that has at least 50% recycled material within 12 years.
- In addition, the Atlanta manufacturer committed to making "better bottles" through efforts such as using more recycled content, developing plant-based resins, or by reducing the amount of plastic in each container.

Dive Insight:

As consumers take a deeper interest in sustainability, food manufacturers and retailers have been forced to take action. A report from The Hartman Group found in November about 70% of consumers say they want retailers to be more transparent about their sustainability efforts.

Sustainability is becoming intrinsically woven into the day-to-day operations of most food and beverage companies. In recent years, businesses including Mars, PepsiCo, Unilever and Walmart have announced some type of pledge — most often focusing on where their products come from, who produces them, how they

are manufactured and their impact on the environment. In 2016, PepsiCo announced it would strive to make 100% of its packaging to be recoverable or recyclable by 2025, and to partner to increase packaging recovery and recycling rates.

Earlier this week, Danone vowed to use 100% recycled plastic by 2025 for its popular mineral water brand Evian. And McDonald's said Tuesday it is switching to environmentally friendly packaging materials and offering recycling in all of its restaurants — noting the changes were the top request by its customers.

In addition to consumer demand, there is a monetary motivation to make the switch to more environmentally friendly practices. According to Nielsen, 66% of all consumers are willing to pay more for sustainable brands. This figure is even higher for millennials (73%) and Generation Z (72%).

James Quincey, Coca-Cola's CEO who took the helm in May, told reporters Friday that as companies grow, there are additional responsibilities they must consider. He said the world's largest non-alcoholic beverage maker will work with local communities, competitors and even its critics to encourage people to recycle more often. As part of this, Coca-Cola must set an example, he said.

"As we continue to change to become a total beverage company, this future growth comes with further responsibilities," Quincey said. "As a company, we must grow with conscious by investing in our plant and our packaging to make a litter-free world possible."

In a statement, he said consumers "want and expect companies to take action."

Quincey acknowledged during a press call that packaging from prior products has made its way to wrong places, and while companies like Coca-Cola are working to address that, they also must find ways to prevent the problem from getting worse. "The right leadership position also requires us to not make the problem bigger all the way into the future," Quincey said.

Coca-Cola didn't say how much the initiative would cost the beverage maker, but Quincey said it's "going to cost us money in the short-term as we invest in recycling facilities, as we invest in partnerships to drive up the collection rates."

Big companies have little choice but to implement a sustainability strategy, or risk turning off consumers who wonder why their brand isn't listening to their interests. It's uncertain how much sales could suffer if businesses fail to step up, but as this issue becomes even more important to shoppers, the risk to the bottom-line becomes even more apparent — a factor that Big Food can't afford to face amid rapidly changing consumer tastes and interests.

Greenpeace wasted little time criticizing Coca Cola's new plan, which it said failed to address the urgency of plastic pollution in the world's oceans. The organization estimated Coca-Cola's annual share of single-use plastic bottles is more than 110 billion globally.

"As the most recognizable brand in the world, and the biggest plastic bottle producer, Coca-Cola has a special responsibility to lead the way in reduction of single-use plastic," Louise Edge, senior oceans campaigner for Greenpeace UK, said in a statement. "Its plan is full of band-aids and will do very little in the way of making a meaningful impact on the amount of plastic entering our waterways and food chain. Coke has a long way to go to show it is taking the plastics epidemic seriously."

Quincey disagreed, noting that by recycling bottles, Coca-Cola is able to give each bottle "another life."

As Greenpeace and other advocacy groups criticize beverage makers for producing millions of plastic bottles that make their way into oceans and landfills, consumers are listening, and increasingly, so are the companies that make these products.

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