Environmental Success Stories in the Consumer Packaged Goods Industry

July, 2016
Executive summary

Environmental Success Stories

This report aims to draw together and highlight examples of innovative environmental sustainability strategies undertaken by members. The stories demonstrate tangible returns and showcase pioneering collaborations within the industry.
Introduction

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Senior Director,
Sustainability—Grocery
Manufacturers Association

The Grocery Manufacturers Association (GMA) is pleased to bring you the third Environmental Success Stories in the Consumer Packaged Goods Industry report. The report showcases company examples of leadership in the sustainability areas of air, water, and waste and builds off of the 2012 and 2014 reports.

Preservation of our natural resources and reducing our environmental footprint, while continuing to provide millions of consumers around the world with safe and affordable products, are top priorities for the consumer packaged goods (CPG) industry. This report demonstrates that commitment and industry’s continuing dedication to innovations to reduce greenhouse gas emissions, conserve water, and further improve operational efficiencies.

In fact, innovation is the clear theme of the 2016 report. This year’s version builds on previous reports and once again shows that the CPG industry is a leader in renewable energy use and outperforms other sectors in waste reduction and water performance. In the pages that follow, you will also see new case studies from familiar companies as well as examples of leadership from small and midsized food, beverage and consumer goods businesses across the U.S. The range of examples in the 2016 report demonstrates that sustainability innovation can and does happen in companies of all size in all aspects of the business. By highlighting and sharing these efforts, we hope to encourage even more businesses to adopt best practices and pilot new ideas.

Whether it is the built environment, generating power from renewable resources, or finding value in what was once considered waste, the CPG industry is constantly innovating to meet the demands of a growing global population and increasingly restricted or altered resources. Collaboration with our industry partners, thought-leaders, customers, and consumers, this sector can and will continue to be a sustainability leader today and tomorrow.

Commentary from

Andrew Winston, sustainability strategist and best-selling author on green business

Business Making Strides on the Biggest Sustainability Issues

It’s a time of deep change for business. Governments, customers, consumers, and employees are asking more of companies than ever before. And business is stepping up, especially in the food, beverage, and consumer products industry.

When the nations of the world signed the historic Paris climate accord, committing to aggressive cuts in carbon emissions, business was right there. Dozens of CEOs, including many from the biggest companies in this sector, stood with their governments to demand policy action. They also set their own aggressive goals for their companies. General Mills and Kellogg, for example, set science-based targets for carbon reductions for their own operations and, most importantly, for their agricultural supply chains. Corporate purchases of renewable energy also rose dramatically last year.

You’ll see in this report stories of clean energy investments at Mars, Pepsi, and Monsanto. The report also demonstrates how companies are moving aggressively to manage other critical business and sustainability issues, from water management (see Nestle’s “zero water” manufacturing plant in California) to food waste (read about ConAgra Food’s clever innovation to slash waste in pudding production). This year’s stories also demonstrate an evolution toward systems thinking with great examples of companies involving suppliers and customers in sustainability efforts.

In a presidential election year, it’s reasonable to wonder if this momentum will continue: could there be dramatic changes in the level of support for sustainability action? Of course policy matters, and a new President will bring new ideas, but the mega-trends driving sustainability today transcend U.S. politics. Companies are tackling carbon emissions in part because they are concerned about the economic and human costs of climate change. They’re buying clean energy because renewables have gotten dramatically cheaper. And companies are building robust sustainability programs to please demanding employees and customers. The bottom line is, well, the bottom line: corporate action to manage environmental and social impacts is very good business no matter who is in power.

So read on to see just some of the important sustainability work going on in a sector that’s critical to both people and planet.
Methodology

GMA is the voice of the world’s leading food, beverage, and consumer products companies and associated partners that sustain and enhance the quality of life for hundreds of millions of people in the U.S. and around the globe. Based in Washington, D.C., GMA’s member organizations include internationally recognized brands as well as steadily growing, localized brands. GMA-led efforts seek to reduce the industry’s environmental footprint, provide consumers with innovative, environmentally-friendly products and preserve our natural resources for future generations.
All GMA members were considered as part of the population for this report. Based on the environmental sustainability criteria established, the list of GMA members was subsequently reduced to include 157 food, beverage and consumer product companies and retailers.

Research was performed by a global professional services firm, under GMA’s direction. The objective of the research was to identify success stories within three defined areas of environmental sustainability: air, waste and water. Analysts researched current publicly-available corporate social responsibility and sustainability reports, website content, and other company information for stories that demonstrated success defined by the criteria noted.

**Environmental sustainability criteria considered**

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<thead>
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**Success story criteria**

The success stories selected demonstrate some or all of the following virtues:

- Innovation in system or product design
- Monetary savings or quantifiable return on investment
- Reduction or improvement in efficiency of environmental factors
- Interaction or collaboration with stakeholders
- Successfully executed and completed—not proposed or planned.

**Story selection**

GMA made all the decisions for which stories were demonstrative of success and included in this report.

The Grocery Manufacturers Association (GMA) is the trade organization representing the world’s leading food, beverage and consumer products companies and associated partners. The U.S. food, beverage and consumer packaged goods industry has facilities in 30,000 communities, generates $1 trillion in sales annually, contributes $415 billion in added value to the economy every year and is the single largest U.S. manufacturing industry with 1.7 million manufacturing workers. Founded in 1908, GMA has a primary focus on product safety, science-based public policies and industry initiatives that seek to empower people with the tools and information they need to make informed choices and lead healthier lives.
According to the nonprofit CDP’s 2015 USA Climate Change Report, the consumer staples sector reported carbon emissions of 90.9 million metric tons in 2015 compared to 108 million metric tons in 2013.
In order to meet their greenhouse gas emissions reduction goals, many CPG companies are pursuing a dual strategy of energy use reductions, through conservation and efficiency efforts, and sourcing of renewable energy, through both on-site and off-site projects. As can be seen by the stories that follow, GMA members are looking across their operations, from manufacturing to logistics, and employing creative and collaborative approaches to reduce their emissions.

2015 saw a notable increase in corporate sourcing of renewables in the United States, and the CPG industry was an important part of that growth. As the cost of wind, solar, and other renewable technologies has fallen and companies have had more choices in how they source and finance projects, renewables have become an increasingly viable and important part of their energy mix. By procuring clean energy and reducing emissions from their operations, GMA members are making progress on their emissions targets and showing leadership.

**Energy efficiency**

**Morton Salt: Pouring Out Big Energy Reductions**

Morton Salt is always looking for innovative ways to reduce energy consumption at its facilities. In the past five years Morton has completed major projects at two manufacturing sites that dramatically lowered natural gas usage within the brine evaporative process. A total energy reduction of over 55 percent was achieved with the first installation, while the second project resulted in a 37 percent reduction in energy usage plant-wide.

In addition to expanding its energy efficiency efforts, Morton Salt is also implementing alternative energy programs. Solar generation has been installed at several facilities, eliminating the need for outside power at some of its remote locations. The company is currently assessing other solutions, such as wind and/or solar power projects on a larger scale to further lower its environmental footprint.

— Morton Salt Sustainability Website

**PepsiCo, Inc.: Improving Fleet Efficiency**

With fleet emissions contributing about a quarter of its total global direct and indirect greenhouse gas emissions, PepsiCo has sought to increase the efficiency of its vehicles through a variety of programs. These include different fuels, hybrids, electric vehicles, driver training, GPS, lightweighting, better maintenance and aerodynamics.

For example, by the end of 2014, PepsiCo’s Frito-Lay North America division had one of the largest company-owned electric vehicle programs in the U.S., with more than 267 electric trucks on the road. Frito-Lay also used a fleet of 331 compressed natural gas tractors to achieve productivity savings of over $3 million that same year.

PepsiCo is also addressing fleet efficiency through its Right Truck, Right Route program, which ensures that an appropriate vehicle is assigned for each route, and that the most fuel-efficient routes are being driven. Truck drivers are educated on fuel-efficiency practices, such as not idling trucks, through its Road to Green initiative.

— PepsiCo, Inc. Website: 2014 GRI Report
Carbon reduction

Mars, Incorporated: A Wind Farm the Size of Paris

As part of its ‘Sustainable in a Generation’ commitment, Mars has set a goal to become carbon neutral in its operations by 2040. To help meet this goal, Mars has partnered with Sumitomo Corporation on ‘Mesquite Creek,’ a 200-megawatt wind farm near Lamesa, Texas. Covering 25,000 acres—an area about the size of Paris—the 118-turbine wind farm represents the biggest long-term commitment to renewable energy use by any food manufacturing business in the U.S.

Mesquite Creek, which came online halfway through 2015, is slated to generate over 800,000 megawatt-hours per year, which is equivalent of 100 percent of the electricity needs of the 70 sites comprising Mars’ U.S. operations. The renewable energy credits generated enable Mars to offset 24 percent of its total global factory and office carbon footprint. The energy produced is enough to make 13 billion Mars’ Snickers* candy bars, or 18 billion servings of Uncle Ben’s* rice.

— Mars, Incorporated Website: April 2014 Press Release

The Procter & Gamble Company: Fabric and Home Care Powered by Wind

In a key initiative toward its goal to reduce greenhouse gas emissions by 30 percent by 2020, Procter & Gamble (P&G) has partnered with EDF Renewable Energy on a wind farm that will enable it to use 100 percent wind power to make its Fabric & Home care products in North America. The 100-megawatt wind farm, which is expected to be fully operational in December 2016, is being built in Cooke County, Texas. When complete, it will allow P&G to use renewable electricity to manufacture brands such as Tide, Gain, Downy, Febreze, Cascade, Dawn and Mr. Clean.

Each year, the wind farm is expected to eliminate 200,000 metric tons of CO2 emissions, and will generate 370,000 megawatt-hours, which is enough electricity to wash a million loads of laundry. The CO2 emissions reduction equates to one percent of the national annual reduction target for electricity emissions called for in the White House’s Clean Power Plan.

— The Procter & Gamble Company Website: October 19, 2015 Press Release, and 2015 Sustainability Report

Monsanto Company: Investing in a Brighter Future with Solar Technology

At the Upper Kunia Farm on the island of Oahu, Monsanto Hawaii is harnessing a plentiful source of energy—the sun—to power indoor lighting. A 25-kilowatt solar system, consisting of 108 solar panels, went live in September 2014 and is expected to generate 40,000 kilowatt-hours of clean energy per year. The project is not only anticipated to reduce Monsanto Hawaii’s energy costs by $15,000 in the project’s first year of operation, but to also reduce the farm’s carbon footprint equal to the amount driving 65,000 fewer miles in a typical passenger car.

— Monsanto Company Website: 2014 Sustainability Report
The renewable energy supply is growing in the U.S. with projected gains of over 3 quadrillion BTU from 2007 to 2017

The Food Waste Reduction Alliance (FWRA) is a collaborative effort of GMA and its partners in the food retail and restaurant sectors, the Food Marketing Institute (FMI) and the National Restaurant Association. The initiative’s mission is to reduce the volume of food waste sent to landfill by addressing the root causes of waste, and securing pathways to donate food or recycle unavoidable food waste. One of the ways FWRA works to accomplish this is through regular research highlighting the great strides being made by industry in food donation, food waste reduction and diversion from landfills.

The FWRA Best Practices and Emerging Solutions Toolkits identify the best practices within the manufacturing, retail and restaurant industries, featuring new real-life examples and case studies and outlining strategies across sectors to assist likeminded organizations to keep food out of landfills and reduce food waste at the source. The first volume of such analysis was released in the spring 2014 with the second following in the fall 2015.
Product and process innovation to reduce waste

As the following stories show, GMA members are finding both common-sense and innovative ways to cut their material use and resulting solid waste. Whether it’s by redesigning a product or production process, developing a more sustainable packaging material, or designing a customized method of sorting recyclable materials, these companies are using their ingenuity to reduce waste, resulting in better products, lower costs, and lower environmental impacts.

Manufacturers recycle approximately 94% of their food waste according to a recent FWRA study.

The GMA and its members also continue to participate in the Food Waste Reduction Alliance (FWRA). FWRA is a cross-sector initiative with retailers and the restaurant industry that aims to reduce food waste generated, increase food donated to those in need in the U.S., and recycle unavoidable food waste, keeping that material out of landfill. Approximately 40 million tons of food waste is sent to U.S. landfills every year and the Obama administration announced a nationwide reduction goal of 50 percent by 2030. The United Nations Sustainable Development Goals include the same ambitious food waste reduction target. Everyone has a role to play to meet these goals and the food industry is doing its part.

Reduction

The Coca-Cola Company: Plant-Based Plastic for Bottles and More

Over the past several years, The Coca-Cola Company has developed and launched an innovative bottle made partially from renewable plant materials. This plant-based material replaces a key fossil-based ingredient traditionally used to make PET plastic bottles.

Since 2009, more than 40 billion of these PlantBottle packages have entered markets in over 40 countries, resulting in more than 845,000 barrels of oil saved. In 2014 Coca-Cola introduced PlantBottle packaging across some of its juice and tea brands, including Simply, Minute Maid, and Gold Peak. Almost 9 billion PlantBottle packages were distributed in 2015 alone, making Coca-Cola the largest consumer of bioplastic in the world. PlantBottle packaging makes up 29 percent of the company’s packaging volume in North America and also helps differentiate products like Dasani™ from other brands.

The PlantBottle technology has also been applied beyond beverage bottles. Coca-Cola developed partnerships with both the Ford Motor Company, to use the PlantBottle technology for polyester car interiors, and SeaWorld® Parks & Entertainment (as well as other theme parks and zoos), to introduce the first-ever refillable souvenir cups made with PlantBottle technology.

The company’s goal is to adopt the PlantBottle packaging (which consists of 30 percent plant-based material) for all of its new PET plastic bottles in the future. To achieve this objective, Coca-Cola is partnering with other companies to expand technology and build manufacturing facilities around the world.

— The Coca-Cola Company Website: 2014/2015 Sustainability Report

ConAgra Foods: Saving the Pudding

ConAgra Foods is on a journey to achieving zero waste to landfill. In seeking to increase efficiency and reduce food waste, a team at ConAgra’s pudding facility in Waterloo, Iowa took it upon themselves to implement a project that prevented 1,048 tons of pudding from going to landfills.

During the pudding manufacturing process, ConAgra uses the same machines for multiple flavors. When the machines switch from one flavor to another (such as from chocolate to lemon) the pudding line produces a blended product. Although the blended flavor was processed and pack-
aged in the same way as the intended pudding flavors, the blended pudding was being sent to the landfill because the flavors were not complementary. Employees at the plant took notice and changed the order of flavors that follow one another in the machine to create pudding blends with complementary flavors (chocolate and vanilla, for instance). This new blended product is now packaged as a finished good and sold at a discount to correctional facilities, dramatically reducing food waste from the operation.

— ConAgra Foods Website: 2015 Citizenship Report

The Clorox Company: Working to Create More Eco-Friendly Garbage Bags

For decades, The Clorox Company’s Glad® trash bags have been used by consumers to handle waste. The brand now plans to also minimize waste, as well as to find solutions that use less plastic in the bags while making them stronger.

Using new technology, the Glad® brand has been able to reduce the amount of plastic in its base trash bags by 6.5 percent, resulting in the equivalent of producing 140 million fewer trash bags per year (or 5 million pounds of plastic less than the previous bag). The next step will be to reduce the amount of source material that is used in packaging the product. The company has already reduced packaging material for 32 of its Glad® trash bag products by an average of 45 percent, which has not only significantly cut use of paper board but also improved freight efficiency.

To further optimize materials used in the manufacturing process, the Glad Manufacturing Company reuses almost all of its rejected product or scrap plastic, and any material left over is sent to a third party for recycling. The company also uses “wide-spec” resin (the “raw” form of plastic) in its trash bags, which saves energy and waste because the material would otherwise have to be reworked or scrapped by resin suppliers.

— The Clorox Company Corporate Responsibility Website

Reuse and recycling


Aware that its feed facilities generate a significant amount of the cooperative’s total waste, the farmer-owned cooperative Land O’Lakes seeks to reduce waste at these facilities. The plant located in Gainesville, GA, which packages animal feed, did just that by identifying an innovative way to recycle 95 percent of the poly and paper trim used in packaging.

Animal feed packaging often results in a small amount of trim left from the bags, made of either plastic or paper. Some trim made of string and crepe paper, which cannot be recycled, is also left over. To recycle these materials, they need to be sorted—a capability that the Gainesville plant did not have until the plant manager took action. Together with Land O’Lakes, Inc. and recycling and waste management partners, the plant created a one-of-a-kind sorting system that uses air to sort the materials.

In this system, the non-recyclable bag trim materials are vacuumed off the packing line and then air-blown into a cart destined for a trash compactor, while the plastic and paper trim are separated via a two-way valve system that empties the materials into separate balers, which are then collected by the recycling company. The new sorting system has helped the plant reduce waste and increase recycling: in 2015 Land O’Lakes recycled over 14 tons of this material—a win for both the environment and the facility.


Clorox has reduced the amount of plastic in its base trash bags by 6.5 percent, resulting in 5 million pounds less plastics than the previous bag.
McIlhenny Company: “It’s More than Just Hot”

Manufacturer of the popular hot sauce brand TABASCO®, McIlhenny Company has had a zero-waste approach from its early beginnings. The company originally used recycled bottles, stoneware jars and oak barrels to make the hot sauce, keeping the process efficient and cost-effective.

Today, most waste from the vegetables and materials that go into the production process are reused. For example, using leftover pepper skins, seeds and runoff as compost in the field has reduced landfill usage while increasing organic materials in the soil. This leftover mash and runoff is also used for other commercial products, as are the barrels used for aging the pepper mash. The white oak barrels are reused for up to 50 years, after which they are disassembled and used for building fences and tables, and for marketable wood chips.

— McIlhenny Company Website

Packaging is the most recycled material in the U.S. according to the recent data from EPA

Water

Seventy-five percent of consumer staples companies globally report opportunities related to water, according to the CDP’s 2015 Global Water Report, and 70% of those companies predict those opportunities will be realized in just the next three years.
Reducing water risks

From the production of raw materials to manufacturing, distribution, and customer use, CPG companies recognize that they have an influence on each step of the environmental life cycle of their products. Water impacts can be significant at each of these steps, and GMA members are finding and addressing opportunities to minimize their water use across their value chains.

Water is a particularly precious commodity in water-stressed regions such as parts of California and Texas. The stories that follow show how GMA members are working with farmers and business partners to protect water sources and educating local citizens and consumers, all while driving water efficiency in their operations.

According to the 2015 Global Water Report by CDP, "71% of [consumer products] respondents report undertaking [water] assessments that cover both direct operations and supply chain, significantly more than any other sector.

Supply Chain

Kellogg Company: Working with Corn Farmers in the Midwest to Improve Water Use Efficiency

For the past five years, the Kellogg Company has been working with its supplier Bunge Milling to improve the water efficiency of the corn growing process in Nebraska. The effort encourages farmers to measure and continuously improve their water usage using an outcomes-based approach.

Using the Fieldprint calculator, a data-tracking tool developed by a group called Field to Market: The Alliance for Sustainable Agriculture, the Kellogg Company and Bunge measure several indicators. These include improvements across irrigated water use efficiency, water quality, greenhouse gas emissions, soil carbon, energy use efficiency, soil conservation yields, and land conservation use efficiency. The tool not only provides growers with measurements of their own progress, but also allows them to benchmark against their peers.

In 2014, the initiative expanded to include corn farmers in other Midwestern states such as Illinois, Indiana and Kansas. The corn from these states is used to make Kellogg products, including Kellogg’s Corn Flakes® and Frosted Flakes®. The overall objective is to achieve results similar to those seen in Nebraska, but on a wider scale.

— Kellogg Company Website: 2014 Corporate Responsibility Report

Colgate-Palmolive Company: Making Every Drop of Water Count

Colgate is engaging consumers, retail partners and suppliers to join them in Making Every Drop of Water Count. Colgate’s Water Stewardship Strategy drives the company’s water reduction efforts, with programs to reduce water in Colgate’s direct operations, engage its supply chain, engage consumers to use less water, provide access to water and sanitation, protect water-related ecosystems and collaborate with water stakeholders.

Colgate has 2020 goals to reduce its manufacturing water intensity by half compared to 2002, and to find ways to replenish water withdrawn in highly-stressed regions. From 2005 to 2015, Colgate reduced its water intensity by over 33 percent, avoiding enough water consumption to fill 7,700 Olympic-size swimming pools. The company invests in water conservation strategies at its global facilities via its manufacturing capital program and by implementing a Water Stewardship Standard. Insights from facilities in water-stressed countries like Brazil and India are helping Colgate to optimize its water consumption around the world.

Colgate is also addressing water impacts beyond its operations. Many of its products require water during use, making consumers an important part of the effort to conserve water. Colgate has committed to promoting water conservation awareness to its global consumers through reminders on its packaging, in store programs, and consumer campaigns. In 2016, Colgate aired an award-winning Save Water video during football’s Big Game and invited consumers to make a personal online pledge to Save Water. This campaign alone reached over 2.7 billion people through earned and social media. Colgate also celebrated World Water Day around the world in 2016, partnering with retailers and other partners to bring its message of Making Every Drop of Water Count to more than 60 countries.

— Colgate-Palmolive Company Website: Sustainability Report 2014
WhiteWave Foods Company: Two Brands, Two Success Stories

As explained in its inaugural Corporate Responsibility Report, WhiteWave invests in water restoration certificates (WRCs) to balance significant portions of its water footprint. In 2014, this investment covered 100 percent of the water used to manufacture its Silk and So Delicious plant-based foods and beverages and its International Delight and Horizon Organic products. Since initiating this program in 2009, more than 1.8 billion gallons of water have been restored to critically dewatered ecosystems. The offsets were achieved by investing in the purchase of WRCs to balance all of the water used at company-owned facilities that manufacture these products.

WhiteWave’s brands also directly support numerous water conservation efforts. Silk is a charter sponsor of Change the Course, a national partnership with Bonneville Environmental Foundation (BEF), National Geographic, and Participant Media. The initiative is focused on conserving freshwater and preserving the ecology of the Colorado River, and educating local citizens on water reduction. Additionally, International Delight recently invested in a new water flow restoration project in California. In total, WhiteWave’s water partnerships have supported the restoration of over 4 billion gallons of water through 17 key projects.

WhiteWave’s product portfolio is heavily concentrated in dairy, soy and tree nuts, each of which requires significant amounts of water in the manufacturing process. Water is used to keep machinery safe and clean, and to prevent cross-contamination of ingredients. Even in the face of strict food quality standards, the company has reduced its manufacturing water use by almost six percent per pound of product since 2013 and has launched a water recovery program at its largest facility in North America.

— WhiteWave Foods Company Website: 2012-2013 Corporate Social Responsibility Report

Operations

Cargill, Inc.: Award-Winning Water Conservation Efforts

As part of its water conservation efforts, Cargill’s beef plant in Friona, Texas cut water usage by nearly 25 percent over six years. This feat led to the plant being the only manufacturing facility to win the Texas Water Foundation’s Blue Legacy Award in 2015.

The facility, located in the Texas Panhandle, sits atop the Ogallala Aquifer, which is one of the world’s largest underground bodies of water. The aquifer covers 174,000 square miles in eight states and provides water for nearly 30 percent of irrigated land in the U.S. As a result of agricultural irrigation, population growth, industrial use, and drought, it has become increasingly stressed.

Recognizing the importance of water conservation for sustainable food production, Cargill has undertaken various water initiatives at the Friona facility. Over the past six years, these initiatives have saved over 150 million gallons of water per year. For example, some of the facility’s treated water is used by local farmers, which reduces the farmers’ need to withdraw from the aquifer. Additionally, the Friona team found that it could clean the exterior of the plant by reusing water collected by plant equipment.

Cargill is committed to water conservation across its global operations. Since 2005, Cargill has improved freshwater efficiency in its facilities around the world by 12 percent. In 2015, the company pledged to improve efficiency by an additional 5 percent by 2020.


Nestlé: ‘Zero Water’ Manufacturing Plant

As part of an effort to reduce the amount of water it uses in California, Nestlé is investing in ‘zero water’ facilities. It opened its first ‘zero water’ plant in 2014 in Mexico. This dairy plant does not use any local freshwater resources for its operations. Instead, all of the water the plant needs to manufacture dairy products is extracted from milk. Nestlé USA’s milk factory in Modesto, California is now also being transformed into a ‘zero water’ factory, and will save about 63 million gallons of water each year. These savings are equivalent to 71 percent of the amount of water the plant withdrew in 2014.

Changes to Nestlé USA’s milk factory in Modesto, CA will save approximately 63 million gallons of water annually.
The company is carrying out assessments of its other facilities in California as well, and plans to use a methodology called “Water Target Setting.” This methodology not only identifies opportunities to reduce water usage, but also identifies the most appropriate technology for implementation. Nestlé USA factories in Bakersfield and Tulare, California have identified savings of more than 26 million gallons of water each year, which could potentially reduce their absolute annual withdrawals by 12 percent compared to 2014 levels.

Nestlé is also working to implement the Alliance for Water Stewardship’s (AWS) international standard in each of its nine California factories by 2017. The standard consists of rigorous criteria for managing water in a way that is environmentally, socially and economically beneficial.

— Nestlé Website: Press Release, May 13, 2015

**Hormel Foods: Water Reduction Efforts**

Hormel Foods has set a goal to reduce water use by 500 million gallons by 2020. From 2012 to 2014, the company reached 67 percent of its goal. Some of this progress was achieved by its Farmer John team, which set out to reduce freshwater use by 2 percent from 2013 to 2014. This California-based team implemented various water reduction projects, including cooling tower treatment automation and more water-efficient wash cabinets. Through these and other projects, the Farmer John team was able to far exceed its expectations, saving 27.9 million gallons of water, or 22 percent.

— Hormel Foods Corporate Responsibility Website

**Focus on Sustainable Agriculture**

Growing the ingredients used to make the food and beverages enjoyed by billions of consumers around the world has a significant environmental impact. However, the manufacturing industry and its supply chain partners are working with farmers in the U.S. to reduce inputs while increasing yield. A report from the nonprofit group Field to Market demonstrates that irrigation use per unit of production and per acre are down for the major commodity crops in the U.S. including: corn, cotton, potatoes, rice, soy, and wheat.

**Irrigated water use has declined in all major commodity crops in the U.S. from 1980-2011**

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<td>Wheat</td>
<td>-12%</td>
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Source: Field to Market National Indicators Report 2013
For further information

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