



Explanation of GreenerPackage.com Database and the Third Party Review

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Introduction

One of the most useful aspects of the GreenerPackage.com Web site is its database of sustainable packaging materials. Each package or material in the database contains a rich array of performance and sustainability data. The sustainability-related questions in particular were hammered out over several months of meetings by the Greener Package Advisory Board, which consists of 40+ packaging sustainability experts (see GreenerPackage.com/experts) from retailers, consumer packaged goods companies, packaging suppliers, and consultants with specific expertise in packaging sustainability. Such criteria represents the collective best thinking on what “sustainable” really means by some of the smartest minds in packaging today.

The challenge of ensuring data reliability

At the current time, the database is free for suppliers to enter their data. All the data and claims are self-reported by suppliers. So the problem in creating a database such as this centers on data reliability. For example, if a supplier claims a particular material is recyclable or compostable, how can one be certain that it really is? In fact, how does one define “recyclable” exactly? Or “compostable”? Different suppliers can have different opinions of what these terms can actually mean. So this leads to two problems:

Problem #1: Without some sort of level playing field that defines what the sustainability criteria are and what they mean, any sustainability data collected will be meaningless. If the definition of “compostable” or “recyclable” means different things to different suppliers making the same claim, such claims start to lose meaning and credibility.

Problem #2: Even if we attempt to define what the valid sustainability criteria are, we run the risk of having suppliers make bogus sustainability claims, either willfully (rare, but it happens) or through simple ignorance (more common than everyone realizes!).

The act of making bogus environmental claims is known as “greenwashing” and it hurts everyone.

The high cost of greenwashing

It turns out that Greenwashing has an incredibly high price. Consider:

Greenwashing hurts packaging suppliers who have gone to the trouble and expense of ensuring that their products really do meet sustainability criteria.

Greenwashing hurts consumer packaged goods companies who must now spend time and energy

differentiating between real and bogus environmental claims made by their suppliers.

Greenwashing hurts retailers who are trying to reward responsible packaging sustainability choices made by their CPG suppliers.

Greenwashing hurts consumers, most of whom want to do the right thing but are highly susceptible to greenwashing claims since they lack the expertise to recognize bogus claims.

Greenwashing tarnishes the packaging industry's reputation and the reputation of everyone who works in this industry, including you. Packaging has long been a target of many environmental activists. Greenwashing simply hands over more ammunition to the activist community at the expense of companies who are actually effecting positive change.

Greenwashing hurts the environment. Isn't that the whole point of this?

At best, greenwashing borne of ignorance is an inadvertent anchor that weighs down the entire industry's effort to move toward sustainability. At worst, deliberate greenwashing by those who know better makes an outright mockery of the rest of the industry's attempt to do the right thing.

Fortunately, the packaging field is populated with a lot of people who are doing their level best to provide the tools and knowledge to educate the industry and move it toward sustainability and away from wanton greenwashing. Credit especially goes to the Sustainable Packaging Coalition (www.sustainablepackaging.org), led by knowledgeable environmental scientists who work *with* industry—rather than against it—to educate and inform the packaging community. Numerous retailers, CPG's and packaging suppliers also deserve credit for participating with the SPC or Greener Package or similar efforts and initiatives around the world.

However, when it comes to putting together a database of reliable sustainability data for use by retailers and CPGs, there are two things needed in order to prevent unchecked greenwashing from creeping into the data:

- 1. Some sort of standards or guidance document** that sets out what is and is not considered a legitimate sustainability claim.
- 2. Some way of policing claims** made by suppliers to ensure that they meet the guidelines.

Greener Package, working in cooperation with the retailers and CPG's on the Greener Package Advisory Board has come up with solutions for both of these. First, the guidelines.

Greener Package Sustainability Guidelines

To draw up the Guidelines of what can and cannot be considered a sustainability claim, Greener Package has retained the services of two consultancies with expertise in this area: Environmental Packaging International (EPI) and Packaging Knowledge Group (PKG).

EPI is staffed by environmental professionals with expertise in the area of global environmental compliance as it pertains to packaging. PKG is staffed by packaging scientists who are expert in the area of packaging sustainability. Both companies boast Fortune 500 companies on their rosters of clients, and experts from both companies regularly teach courses on how to use ECRM's Walmart

Packaging Scorecard Modeling software.

The basis for the Greener Package Guidelines is the Federal Trade Commission's (FTC) Green Guidelines, available here: <http://www.ftc.gov/bcp/gmrule/guides980427.htm>. However, many packaging experts feel the FTC guidelines aren't specific enough and leave some loopholes that need to be addressed. EPI and PKG, working in concert with the Greener Package Advisory Board, have attempted to make good-faith efforts to address what's lacking in the FTC guidelines to produce the Greener Package Sustainability Guidelines. It should be noted that this is a living document, subject to ongoing updates as FTC and other regulatory agencies from around the world further define what it means to be sustainable.

The Guidelines, literally borne of the experience of hundreds of hours of expertise in the area of packaging sustainability and compliance, is available for free to the entire industry at greenerpackage.com/guidelines. On that page, you can also sign up to be notified by email any time the document is updated.

Third party review

To “police” sustainability claims, in a perfect world, an analyst would be assigned to audit from top to bottom every sustainability claim made by every supplier, testing materials in labs to ensure that claims are met, conducting chain-of-custody reviews, even lifecycle analyses. However, the cost to provide such level of policing would be prohibitive. Packaging suppliers and CPGs – whose margins are already razor thin – would not be able to bear the financial burden to support this level of policing.

The alternative, a database with no policing, would quickly be overrun by listings that make different claims that mean different things to different people, and would lack true meaning.

However, there is a middle ground. Greener Package is introducing the notion of a *voluntary* third-party *review*. This is a review, not an audit! It is meant to be a one- or two-hour session where a reviewer from EPI or PKG (that is, experienced in packaging sustainability and environment compliance) requests specific supporting documentation from the packaging suppliers to back up any claims made. The reviewer will then look over the documentation and compare it to the Greener Package Sustainability Guidelines to determine if the supplier really does meet the claim.

The reviewer will not audit supply chains, nor will the reviewer actually test the materials. But the reviewer will read, say, a test result proving that a particular material complies with an ASTM standard for compostability. Could a packaging supplier upload false documentation? Of course. But as indicated earlier in this document, most greenwashing claims arise not out of venal intent but through simple ignorance. The reviewer will be there to catch such claims, whether inadvertent or intentional.

In effect, the reviewer serves as a neutral third party making a good-faith effort to review backup documentation from suppliers to compare to a common guideline in order to save the users of the database time from having to do the same for each listing each time they search.

EPI and PKG, having invested the time and expertise into creating the Greener Packaging Sustainability Guidelines, are the only third parties currently authorized by Greener Package to conduct reviews.

For each sustainability claim that a supplier can make, the Greener Package database will explicitly indicate to the supplier submitting the data which backup documentation will be required, so there is no ambiguity.

It is important to note that this third party review, which involves a nominal fee to the supplier, is voluntary. Suppliers can submit their data to the Web site without paying for the review. However, there are a number of advantages to the supplier to having their data reviewed (see “Benefits” section below).

The cost

To compensate the reviewers for their time, packaging suppliers who volunteer to have their materials reviewed will pay a modest fee:

\$450.00 USD per supplier per database entry for a first time review that entry. Includes up to three rounds of back-and-forth with the third-party reviewer.

If further assistance is required by the supplier, EPI or PKG can provide direct assistance to the supplier on a time and materials basis, paid for by the supplier.

Note: The above fees are not advertising fees. Greener Package does *not* take a cut of these review fees, and payment is made directly to the third party reviewing agencies via credit card before review takes place. There *are* ways to enhance your database listing to get additional exposure for an additional nominal fee – please see GreenerPackage.com/enhancedlisting.

Benefits for suppliers to submit their data

Regardless of whether a supplier chooses to have its data reviewed, there are a number of benefits to submitting the data to the Greener Package Web site:

1. Disseminate your product information to a targeted audience of package development engineers, packaging R&D engineers and package designers, all of whom influence directly or indirectly the buying decision.
2. Consolidate your feedback to the market about the environmental aspects of your products in one place. Instead of providing answers to individual prospects each with slightly different information or answers, answer ONE set of questions for the entire market.
3. Expand the audience for your product. This database will draw a critical mass of package development engineers, packaging R&D engineers and package designers who will use it to conduct research to discover new materials they didn't know about—including yours.
4. Submit as many products as desired. There is no limit.
5. There is no charge to submit data at the current time.

Benefits for suppliers to have their data reviewed

There are several benefits for suppliers to have their listings third-party-reviewed by authorized Greener Package third parties:

1. Reviewed entries are positioned above non-reviewed entries in the search results, ensuring that reviewed items are always looked at first.
2. Reviewed entries are graphically distinguished with attractive colored backgrounds and a prominent message indicating that the entry has been reviewed by a third party, further drawing users' attention. Non-reviewed entries have a neutral gray background, and have a prominent message disclaiming that all claims are self-reported by the supplier and have not been reviewed by a third party. In short, reviewed listings are presented in a more attractive and credible light to the user!
3. All reviewed entries will be published at no additional charge in the Greener Package Source Book 2010 edition. This is a new, must-have reference guide published in print annually, with the latest third-party-reviewed sustainable packaging materials from the Greener Package database, sustainable packaging guidelines, and state-of-the-industry report. It is expected to be published Summer 2010.
4. Reviewed entries are visible within the Wal-Mart Stores Inc. Sustainable Packaging Modeling software from Wal-Mart Stores Inc. technology provider ECRM. (See FAQ to understand the relationship between Wal-Mart Stores Inc., ECRM and Greener Package.) Non-reviewed entries will not be visible from within the Modeling software.

Benefits for users

1. There is finally ONE place to look at to find information verified by a third party judging all entries by the same set of standards hammered out by peers and experts.
2. This saves an incredible amount of time in the preliminary research phase. While it is not meant to substitute for in-depth research, it is a great first-pass filter.
3. Reviewed listings are a built-in insurance policy against greenwashing, the greatest enemy of packaging sustainability.
4. Users will have the power to dispute questionable claims made on non-reviewed listings, forcing suppliers who make the claims to have the entry either reviewed or withdrawn from the database.
5. A user-friendly search engine that is highly specific to packaging sustainability allows users to search by raw material, converted package or component, sustainability criteria, and food-contact compliance.

The process

1. Suppliers go to GreenerPackage.com/research and click on a link to begin the data submission process. They will be prompted to set up an account with mBlast, the database platform used by GreenerPackage.com.

2. After setting up an account within the mBlast database platform used by Greener Package, the supplier clicks a link to submit a raw material or converted package.
3. After answering a number of performance-related questions (size, styles, features, etc.) the supplier encounters a series of packaging sustainability-related questions.
4. Each sustainability question allows the supplier to check a box in order to make a claim. (Suppliers may also make open-ended claims in a short 1-sentence summary area, as well as in an extended description area.)
5. If a supplier checks any box to any sustainability question, a second question will appear, requiring the supplier to confidentially upload documentation backing up the claim. The documentation is for the reviewer only, and will not be made public on the database. The screen (along with the Greener Package Sustainability Guidelines) explicitly indicates which types of documentation are acceptable.
6. After answering all the sustainability questions, the supplier is asked whether she or he wants to pay for a third-party review.
7. If the supplier checks “yes” then at the end of the data entry session, there will be a link to the third party reviewer's payment site. The supplier enters their credit card and pays a \$450 fee.
8. The entry is assigned by the GreenerPackage.com staff to one of the authorized third-party reviewers, either EPI or PKG, who will access the database, review the claims being made, and look at the backup documentation supplied by the supplier.
9. Within five (5) business days, the reviewer will send an email to the supplier indicating that either 1) they have no objections and that the entry can be published in the Greener Package database with all the privileges and benefits of a reviewed listing, or 2) there are specific objections that prevent the listing from being published as a reviewed listing. The email will contain the specific objections and will make recommendations to remedy the shortcomings of the claims. The listing will not be published until the objections are addressed—either the claim is withdrawn or backup documentation provided and the claim re-submitted for review (see #10).
10. The supplier may remedy their claims and may re-submit their claims for a subsequent review. Please note that a subsequent review fee of \$110 must be paid at the time of re-submitting their claim, which pays for the reviewer's time.

Getting trained before submitting your data to GreenerPackage.com

The simplest way to get trained before you submit your data to GreenerPackage.com is to read the Greener Package Sustainability Guidelines. In addition to the document itself, training will be offered via a series of Webcasts and in-person events at major packaging trade shows. Details will be posted at GreenerPackage.com/guidelines.

Frequently Asked Questions from Packaging Suppliers

Why do I have to pay \$450 to have someone look at my studies, LCA's or test results if I've

already paid to have the studies and tests done?

Because the Greener Package reviewers act as a centralized and standardized filter through which all claims and claims documentation must pass. It's a necessary filter to prevent greenwashing – not by you, but by an ignorant or unscrupulous competitor who may skip the tests and make the same claim, or conduct biased tests not based on science or a widely recognized standard. As pointed out elsewhere in this document, greenwashing has a very high cost that hurts everyone. \$450 is a small price to pay to prevent it.

How do I avoid paying additional re-review fees if my claims don't pass muster?

The \$450 fee includes up to three rounds of back-and-forth with the reviewer. You should not have to pay additional fees if you can support your claims by providing the backup documentation required by the reviewer. The best way is to get it right the first time! Save your time and money by studying the Guidelines first *before* you submit your claims.

Can I talk to the reviewers first before I submit my data, to make sure that our product will pass?

Reviewers are consultants that are available for hire on a time and materials basis. Just as your time has value, so does theirs, and they'd be happy to help, but not for free.

Do I have to pay \$450 for each product that I submit?

You have to pay \$450 for each *entry* that you submit in the database. An entry can consist of a single product or a family of products that have the same performance and sustainability data. For example, if you are submitting a stock rigid container in 8, 10, 12, 14 and 16-oz sizes, and all containers have the same performance and sustainability data and are made from the exact same material, then that can be submitted as one entry, and you'd pay \$450 *once* for the review of the entire product family. But if you have a one container made out of post-consumer PET and another made out of post-consumer HDPE, they would be considered two separate entries, as the containers are made from two completely different materials, so you'd pay \$450 for the PET container and another \$450 for the HDPE container.

Can't I just submit my data without paying for a third-party review?

Yes, of course. Your data will still be displayed on the GreenerPackage.com Web site, but:

- It will be marked with a prominent disclaimer saying it was NOT reviewed by a third party.
- It will receive less favorable positioning in search results compared to reviewed listings.
- The data will *not* be visible within the Walmart Packaging Scorecard Modeling software.
- The listing will *not* be published in the annual Greener Package Source Book.
- Users can flag your listing as questionable if they feel a claim seems suspect.

What happens when a user flags for review a listing that makes a questionable claim?

Beneath each non-reviewed listing, there will be a link that says “Questionable claim? [Flag this for review.](#)” That link leads to a form where a user can state why they think the claim is questionable or dubious. A Greener Package advisory board member will review that form and decide whether the questioner has merit or whether it is frivolous. If the questioner's case has merit, the packaging supplier will be contacted with this message:

“Your claim has been challenged by a user of GreenerPackage.com. The challenge was reviewed by a Greener Package advisory board member, and was found to have merit. If you would like to continue to support this claim, it will have to be reviewed, at a cost of \$450. We've temporarily removed the claim from your listing. If you take no action, we will continue to list your item in the Greener Package

database without the claim.”

Suppliers can either submit the claim for review OR take no action and the data will continue to persist on the Web site without the claim. That also means it will not appear in search results when someone specifically searches by that sustainability claim.

Relationship between Walmart, ECRM and Greener Package

Greener Package has teamed up with Wal-Mart Stores Inc. Sustainable Packaging Scorecard Modeling Software technology provider ECRM to incorporate its Packaging Marketgate database and link up with the Wal-Mart Stores Inc. Sustainable Packaging Modeling software.

ECRM's Packaging.Marketgate database of supplier products will be merged into the Greener Package Database. Both existing data in the Marketgate database and new data in the Greener Package database will be visible within the Wal-Mart Stores Inc. Sustainable Packaging Scorecard Modeling Software so that buyers and specifiers will be able to conduct what-if scenarios with sustainable packaging alternatives right within the modeling software. Only third-party-reviewed entries will be visible within the Scorecard software. Non-reviewed entries will not.

Once the Greener Package database goes live, the packaging supplier data portion of the Marketgate database will cease to publicly exist, and the Greener Package database will be the central point for packaging suppliers to enter their sustainability data. ECRM will remain in partnership with Greener Package, enabling the link to the Sustainable Packaging Scorecard Modeling Software modeling software, which ECRM continues to develop, support and enhance.