

# Highlights of the GAA Environmental Workshop

June 2011  
Washington, DC

Monica Garvey  
Verso Paper Corp.

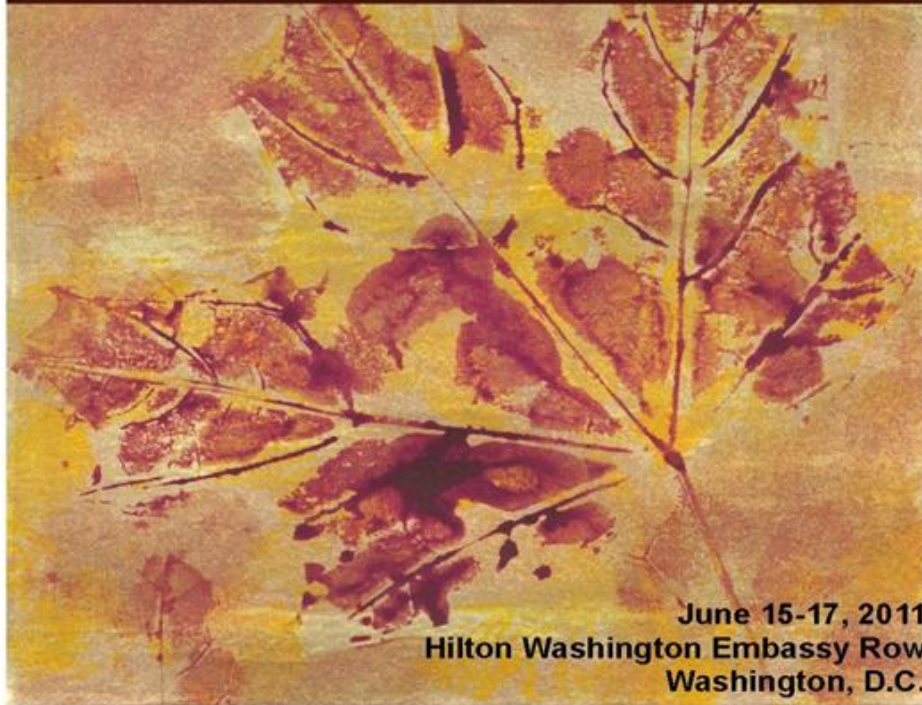


Gravure Publishing Council Conference  
Naples, Florida November 16-18, 2011

# GAA

## Environmental Workshop

**Sustainability & Public Policy**  
Solutions for Our Industry



**June 15-17, 2011**  
**Hilton Washington Embassy Row**  
**Washington, D.C.**

# FIRST CLASS EVENT!

Organized by GAA's **Bernadette Carlson** and **Pam Schenk** along with volunteer planning committee led by **Dave Campi** from Sears/Land's End and **Monica Garvey** from Verso Paper.

Sponsors: Verso Paper Corp. and National Geographic Society

Excellent attendance from catalog/magazine publishers, forest product companies, environmental groups & government.



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# SPEAKERS

Long list of impressive speakers including:

Susan Lachance (*VP Consumer & Industry Affairs, USPS*);

Donna Harman (*President & CEO of AF&PA*);

Kathy Abusow (*President & CEO of SFI*);

Tom Martin (*President & CEO of AFF*);

James Kohm (*Director of Enforcement for FTC*);

Stephanie Kotin (*Legislative Aide to Senator Carper*);

David Refkin (*President, GreenPath Sustainability Consultants*);

Phil Riebel (*President, P. Riebel Consulting*);

Ben Thorp (*Chairman of the Board for BDC*);

Catherine Cobden (*VP, FPAC*);

Mark Daniel (*VP, Verso Paper Corp*);

and several others



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# TOPICS

AF&PA Sustainability Goals and Communications

Forest Sustainability and Legislation

Recovery, Recycling and Extended Producer Responsibility

The Sustainability of Paper & Print

Millennial Research - Understanding the Role of Paper

Carbon Footprint LCA

Water Footprint

New FTC Green Guides

Renewable Energy Solutions in Our Industry

DMA Sustainability Mission and Programs

Sustainable Packaging Design



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# AF&PA ADVERTISEMENT



COMMITTED TO A  
SUSTAINABLE FUTURE

 **BETTER PRACTICES  
BETTER PLANET 2020**  
Continuing AF&PA's Commitment to Sustainability

**OUR GOALS FOR 2020:**

- Exceed 70% paper recovery for recycling rate
- 10% increase in industry's energy efficiency
- Reduce by 15% intensity of industry greenhouse emissions
- Reduce illegal logging by working with governments, industry and other stakeholders to promote policies around the globe.
- Improve safety incidence rate by 25% and strive toward becoming the industry of zero injuries
- Reduce water consumed in our processes, consider consumptive use goal for the future.

**PROVEN TRACK RECORD OF SUSTAINABILITY:**

- In 2010, 64.5% of the paper consumed in the US was recovered for recycling – a 77% increase since 1990.
- Combined member pulp and paper mill greenhouse emissions decreased approximately 14% from 2000 to 2008.
- 100% of AF&PA members commit to source from sustainably managed lands as a condition of membership.

 **American  
Forest & Paper  
Association**

[www.afandpa.org/sustainability](http://www.afandpa.org/sustainability)

# AF&PA COMMUNICATIONS UPDATE

## Paper Check-Off Program

- The paper and paper-based packaging check-off program is a new and distinct effort that promotes the broad category of paper and paper-based packaging products.
- Identify a common message that advances the market for all paper products, from containerboard to paperboard to packaging to stationery to catalog papers.
- Next steps:
  - Proposal to be approved by USDA (*in progress*)
  - Outreach to Industry (*in progress*)
  - Public review and comment period
  - Industry referendum
  - Early 2012 program launch

# FOREST SUSTAINABILITY & LEGISLATION

**U.S. Lacey Act** Update from Environmental Investigation Agency

Overview of **WWF's Global Forest & Trade Network (GFTN)**

Update on **Challenges for America's Forests:**

1. Drought
  2. Fires
  3. Flooding
  4. Pests & Pathogens (climate change & globalization)
  5. Development pressures (By 2030 57mm rural areas will be impacted by development.)
  6. Blocks of American Forests .....
- a. REITs/TIMOs (Big blocks of land changing hands soon; looking at highest economic use)
  - b. National Forests (Rules are always changing; this affects efforts with Forest Management)
  - c. Small Landowners (Facing a "perfect storm"; not enough help and resources; losing many)

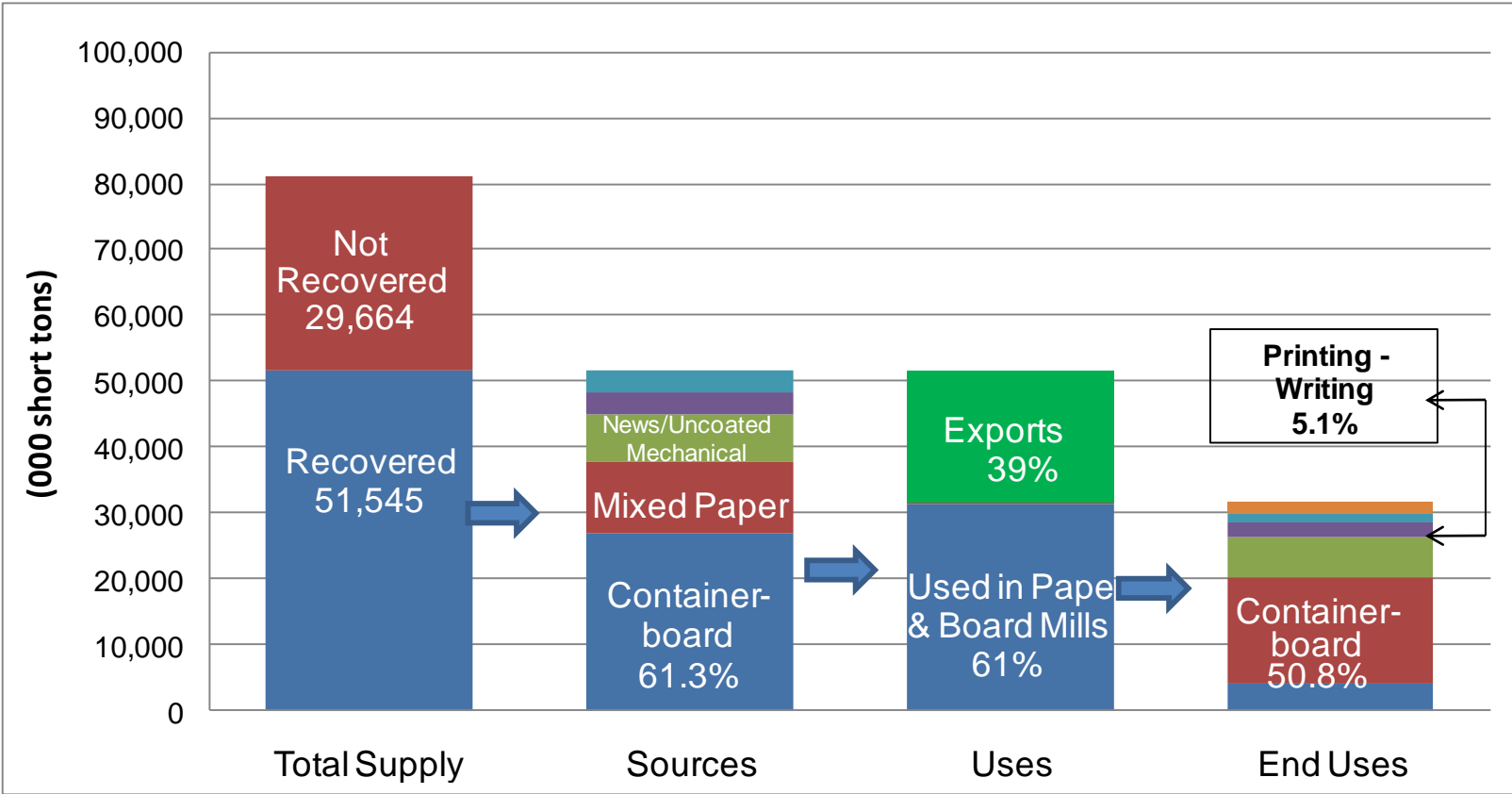
**KEY MESSAGE:** Promote certification growth; use certified fiber; emphasize in procurement policies

**MORE EDUCATION NEEDED.** Example for younger generation: Project Learning Tree (train teachers)





# RECOVERED FIBER STATISTICS 2010



The economics of recovery, fiber yield rates, quality issues, grade utilization efficiency and other factors combine to create this utilization picture. Reducing process energy usage for cleaning can have a considerable impact on economics of recycled paper and also can reduce CO2 emissions.

Source: AF&PA (data)

# RECOVERY – PROPOSED PATH FORWARD

## Goals

- Collect more fiber, meet recovery goals
- Keep supply chain costs as low as possible
- Support publishing, paper and print industries
- Reduce risk of product stewardship legislation

## Action Steps

- Increase consumer awareness of recycling
- Promote sale of more magazines and develop physical infrastructure for magazine and catalog recovery

# SUSTAINABILITY OF PAPER & PRINT

**Two-Sides Campaign** (European site: [www.twosides.info](http://www.twosides.info))

- Release of US website in late Nov or early Dec

## Environmental messages to communicate

1. Forestry, paper & packaging are among the most sustainable industries in existence (PWC)
2. A wise product choice: renewable, recyclable, capture and store carbon (WRI)
3. In North America, a large and growing share of paper comes from sustainably managed forests
4. Negative stories often not based on facts (ex: 90% of deforestation from agriculture) (FAO)
5. The alternatives are not without impact: e-media and print need to co-exist
6. Recycling paper is key, but “green” is more than recycled.

# CARBON FOOTPRINT MEASUREMENT UPDATE

**Life Cycle Assessments (LCAs)** most credible, but most complex method for measuring the carbon footprint of a product.

- In early October, the GHG Protocol (an initiative of World Resources Institute and World Business Council for Sustainable Development) issued a new carbon footprint standard:
  - **The “Product Life Cycle Accounting and Reporting Standard”, referred to as the Product Standard**
- The Product Standard is a methodology to quantify and report the greenhouse gas (GHG) emissions associated with individual products throughout their life cycle.
- Verso was one of 39 companies chosen to Road Test the new standard.
- Eventually, the Walmart Sustainability Index may gravitate to requiring suppliers to report carbon footprint of products sold to Walmart.

# NEW FTC GREEN GUIDES

The FTC issued its [Guides for the Use of Environmental Marketing Claims](#), commonly known as the Green Guides, to help marketers avoid making environmental claims that are unfair or deceptive under Section 5 of the FTC Act. The Green Guides outline general principles that apply to all environmental marketing claims and then provide guidance on specific green claims, such as **biodegradable, compostable, recyclable, recycled content, and ozone safe**. The FTC issued the Guides in 1992, and updated them in 1996 and 1998. The Commission currently is reviewing the Guides, as detailed below. More information about the FTC's Green Guides and the proposed revised Guides issued in October 2010 can be found at:

[http://www.ftc.gov/bcp/edu/microsites/energy/about\\_guides.shtml](http://www.ftc.gov/bcp/edu/microsites/energy/about_guides.shtml)

## 3 New Claims Will Be Addressed:

1. “Made from Renewable Materials” (*Say “Made from Fast-Growing Bamboo”*)
2. “Made from Renewable Energy” (*Say “Made from Renewable Solar Power”; but what if RECs sold??*)
3. Carbon Offsets --- Accounting methodology/system has to be “*really good*”

# RENEWABLE ENERGY FOCUS IN OUR INDUSTRY

1. The pulp and paper industry is sustainable in its use of the major raw material and more sustainable than any other major industry in energy.
2. Over time, the pulp and paper industry can be sustainable in energy, even generating excess energy.
3. The nation will derive benefit from a focus on sustainability and real drivers.
4. The nation can be harmed from a focus on renewability and surrogate measures.
5. The nation should value testimony from industries which are to be regulated.
6. The nation should clearly understand the value chain to be regulated to avoid marked disruptions and avoid unwanted consequences.

# RENEWABLE ENERGY SOLUTIONS – FPAC, VERSO

## FPAC Biopathways Summary

The industry is not standing still, transformation is underway.

- Canadian forest sector has potential to be a major force in the 21<sup>st</sup> century economy and emerging new markets
  - Forest sector is economic cornerstone to aspirations of green economy
- Biopathways points out one of the important paths
  - \$200B emerging market is dynamic and happening
  - Integration is key for economics, jobs, environment
  - Partnerships are critical

## Verso Paper Corp -- Energy Philosophy

- Reduce **Energy Intensity**
- Leverage the efficiency of **combined heat and power cycle**
- Increase use of **renewable fuels** and reduce fossil fuels
- Promote and participate in the transformation of the Paper Sector to include the production of **Advanced Biofuels**

# SUMMARY

- Fantastic speakers
- Great location (esp. dinner with Explorer at NGS)
- Timely, relevant topics
- Review presentations at [GAA.org](http://GAA.org) for more details
- **Go to next year's GAA Environmental Workshop.....**



# 8th ANNUAL GAA ENVIRONMENTAL WORKSHOP

*L'Enfant Plaza Hotel*

*Washington, D.C.*

*June 19-21, 2012*

Conference Chairs: *Hans Wegner*, VP Production Services, NGS

*Dennis Aler*, Director of Sustainability, RR Donnelley

The workshop will cover these topics....

*Advances in Sustainable Forest Management*

*Progress and New Programs in Paper Recovery & Recycling*

*Environmental Success Stories from Printers and End Users*

*Updates on “The Good Story About Paper/Print”*

*Environmental Footprint of Paper and Digital*

*...plus many more!*

Please watch for program updates at [www.gaa.org](http://www.gaa.org)