



*“We are partnering with a recycling company to “close the loop” so our products can be recycled in California indefinitely and create green jobs at the same time.”*

*—Ed Byrne, Owner and General Manager  
Peninsula Packaging, Exeter, CA*

## Who is CPSC?

The California Product Stewardship Council is a coalition of local governments and their associations, non-profit and for-profit business partners and individuals that support product stewardship. CPSC is a federally recognized 501(c)(3) non-profit corporation.

Check us out at <http://www.CalPSC.org>

- Subscribe to our Stakeholder’s electronic newsletter:  
<http://www.calpsc.org/getinvolved/subscribe.html>
- Join CPSC as a Business Partner:  
<http://www.calpsc.org/about/partners.html>

## Doing Well by Doing Good

- ☑ **Design it Green**  
Be a leader in innovation. Eliminate inefficiencies. Foster company pride and consumer loyalty.
- ☑ **Use Non-Toxic Materials**  
Eliminate the health, safety and liability concerns that come with using hazardous materials.
- ☑ **Make it Clean**  
Reduce operating costs by using manufacturing facilities and production methods that reduce waste, air and water pollution.
- ☑ **Encourage Reuse**  
Reuse is the most efficient way for businesses to reduce solid waste, energy usage and greenhouse gas emissions.
- ☑ **Conserve Resources**  
Use recycled-content materials in products and packaging. Virgin materials are sometimes more expensive and take a heavy environmental toll. You’ll be stimulating the market for recycled-content products.
- ☑ **Offer the Product as a Service**  
Consider leasing instead of selling your product. Many consumers, especially buyers for business and government, would prefer to lease rather than buy. Taking back your product at the end of the lease may give you a competitive edge.
- ☑ **Take it Back!**  
Develop convenient take-back programs for your products at their end-of-life. Your customers will thank you and you’ll develop brand loyalty.



**CPSC**  
California Product  
Stewardship Council

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This brochure was funded in part by a grant from the Department of Resources Recycling and Recovery (CalRecycle) and from the California Department of Conservation.

Developed with support from the County of San Joaquin  
and The Product Policy Institute.



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Printed on 100% recycled, 50% post consumer waste, chlorine-free paper with vegetable inks.



## Greening the Bottom Line

### Product Stewardship and Your Business



**California Product Stewardship Council**

# Are We Burying Profits?



Product stewardship offers many economic benefits: reduced operating costs, creating secondary materials markets, reduced disposal costs, energy savings, and the creation of green jobs. A 2008 independent study of British Columbia's eight product stewardship programs documented more than 100,000 tons of materials recycled, significant GHG emissions reductions, more than 5 million gigajoules of energy saved, and the creation of 2,100 full time green jobs!

## Businesses are \$eeing Green

### Greening the Bottom Line

Can you imagine passing on a lucrative business deal? Do you ever offer to pay more than the asking price? Do you negotiate deals that are in the other party's best interest? Of course not!

Are you throwing away profits? Absolutely not!

### Are you sure about that?

Approximately 75%\* of our waste stream is product and packaging waste. In California alone, we landfill approximately 40 million tons\*\* of waste each year. Resources are being destroyed that could benefit your business either as feedstock or as a marketable commodity. We don't typically consider "waste" a resource, but smart businesses are taking back their products through reverse distribution systems and using those materials to make new products and avoiding the cost of buying virgin materials.

\* Source: Unintended Consequences, Product Policy Institute, 2005. See Page 7, Figure 3. The data are published by USEPA as noted in this report.  
\*\* Source: CIWMB, <http://ciwmb.ca.gov/Profiles/>



Producers make the design and marketing decisions and therefore have the greatest ability to reduce lifecycle impact.



The Rechargeable Battery Recycling Corporation, operated and funded by rechargeable battery manufacturers, sponsors a free rechargeable battery recycling program.

### What is EPR?

Extended Producer Responsibility (EPR), also called product stewardship, means being responsible for all phases of a product's lifecycle – from design to end-of-life (EOL). Because reuse and recycling are emphasized, this type of system is referred to as "cradle-to-cradle" rather than "cradle-to-grave." EPR places primary responsibility for product EOL management with the producer.

### Who are Producers?

Producers are the companies that manufacture, are the brand owners or first-importers of products for sale in the U.S. — companies like **Dell**, **HP**, and **Honeywell**.

## Producer Responsibility: It's Just Good Business

### How EPR Works

It's simple, really. Producers implement recycling systems for the products they market. For example, companies that produce fluorescent lights would design, fund and operate a recycling system for fluorescent lights.

### Take it Back

Producers have the flexibility and control to design EPR systems that work for each unique business model. Producers design, fund and operate the collection systems. They can do this individually, or by working together with other companies in a stewardship organization. One producer may design a mail-back program for their product. Others may establish retail collection points like the Rechargeable Battery Recycling Corporation has done with retailers that sell rechargeable batteries. Most producers will use existing reuse and recycling programs.

### Design it Green

Green design is part of product stewardship. Producers are redesigning products to remove toxics and to make them more durable, easily repairable, recyclable or compostable, and are applying the same principles to packaging. Green design is efficient, saves resources and money.

### Internalize Costs

Managing products at the end of their lifecycle has a cost. Today, the costs are borne by taxpayers and garbage ratepayers. In an EPR system, producers internalize the EOL costs in the product price. The cost is then reflected to the consumer at the time of purchase, sending the appropriate market signals and allowing consumers to make purchasing decisions based on the full cost of the product. The consumer who purchases the product pays for its end of life costs and producers are made whole by recouping the cost of their investment.

### Level the Playing Field

Voluntary EPR programs are a good start, but they put businesses at a competitive disadvantage in a price-sensitive marketplace, where the smallest price increase can result in lost sales. Legislating a statewide EPR program for products and

packaging levels the playing field. EPR policy ensures that no company is at a disadvantage for "doing good."

### Create Customer Loyalty

Companies like **LG Electronics**, **Bentley Prince Street, Inc.**, **Honeywell**, **Sony** and **Caterpillar** already offer EPR programs because it's good customer service and it's the right thing to do. "Green" is definitely in. Consumers want products that are less toxic, made from recycled materials, easily reused and repaired, shipped with less packaging, and are easy to recycle.

*"Retailers support EPR as a more workable and cost-effective alternative to mandatory in-store take back or point of sale fees."*

—Pamela Williams,  
California Retailer's Association

### EPR Is Not a New Concept

EPR systems operate in Canada, Japan, South Korea and the European Union. In fact, many of the same companies that sell products here already operate in EPR systems abroad.

Product stewardship encourages green design and creates green jobs