



STATE OF THE FOODSERVICE PACKAGING INDUSTRY

FPI FALL CONFERENCE
PITTSBURGH, PA
OCTOBER 26, 2023

FOODSERVICE PACKAGING INSTITUTE

THE LEADING AUTHORITY FOR THE
NORTH AMERICAN FOODSERVICE
PACKAGING INDUSTRY SINCE 1933



ABOUT FPI

WHO WE ARE

The Foodservice Packaging Institute (FPI), the leading authority for the North American foodservice packaging industry, encourages the responsible use of all foodservice packaging through promotion of its benefits and members' products. Serving as the voice of the industry to educate and influence stakeholders, FPI provides a legal forum to address the challenges and opportunities facing the foodservice packaging industry.

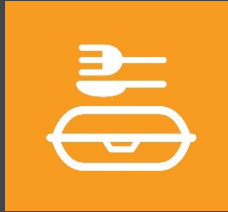
OUR MEMBERS

FPI includes approximately 90% of the entire industry in North America. Its core members are foodservice packaging manufacturers and their raw material and machinery suppliers.

THE VOICE OF FOODSERVICE PACKAGING

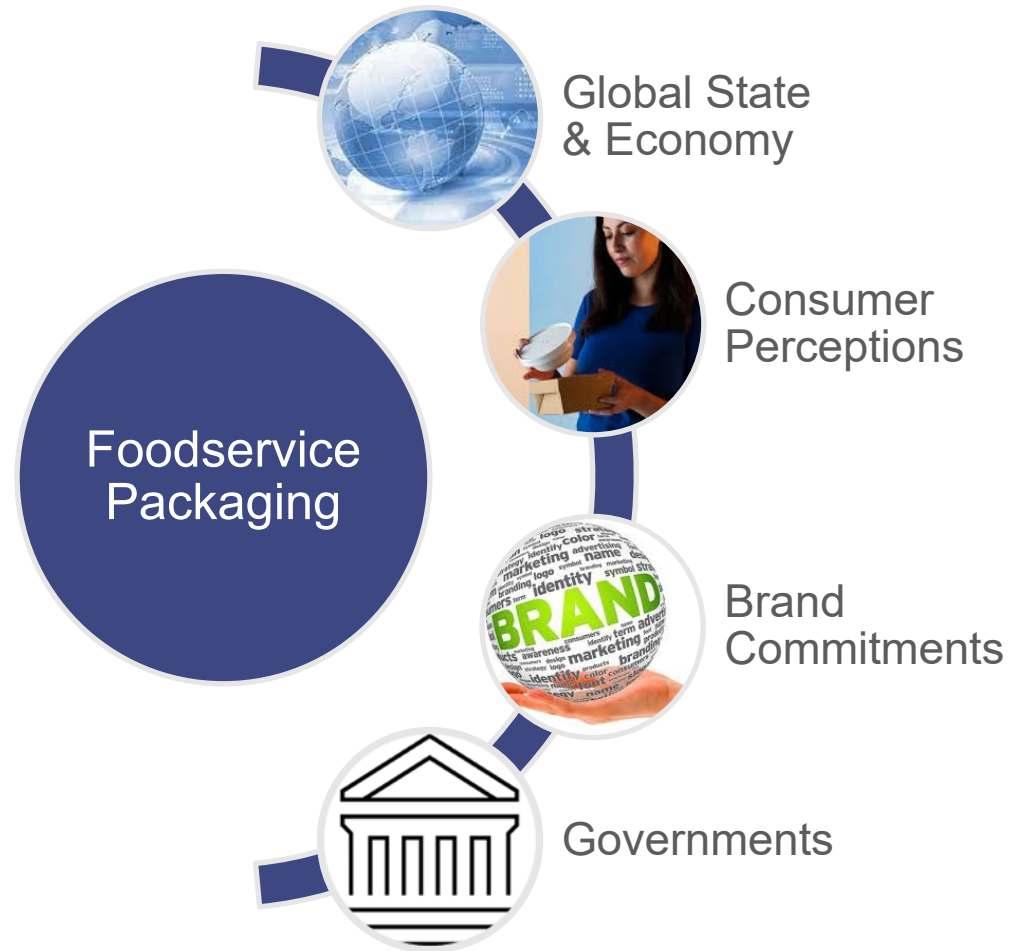
THE FPI PERSPECTIVE

- FPI is the voice representing the foodservice packaging industry – we rely on our members to help tell the story. YOU live on the front lines, we're at the 10,000-foot level
- Opportunity to showcase the story we tell, how that story impacts the work FPI does and to hear from a few more voices



INFLUENCES

INFLUENCES ON THE STATE OF THE FOODSERVICE PACKAGING





TRENDS REPORT

2022 EDITION



P.O. Box 726, Falls Church, VA 22046
tel (703) 592-9889 fax (703) 592-9864
email fpi@fpi.org web www.fpi.org

HIGHLIGHTS OF THE 2022 TRENDS REPORT

- Segments and dayparts shift post-COVID
 - Declining breakfast daypart
 - Rise of the convenience store as a foodservice destination and delivery model
- Policy has a starring role
 - Extended Producer Responsibility
- Economic
 - Inflation, supply chain disruptions, transportation, labor (lack of skilled workers, overall shortages)



TRENDS REPORT

2022 EDITION



P.O. Box 726, Falls Church, VA 22046
tel (703) 592-9889 fax (703) 592-9864
email fpi@fpi.org web www.fpi.org

HIGHLIGHTS OF THE 2023 TRENDS REPORT

- Policy has a starring role (again)
 - Extended Producer Responsibility
- Sustainability
 - Confusion around direction towards recyclable or compostable
- Economic
 - “Cheap” imports
- Operators willing to pay for tech enabled and multipurpose packaging to offset labor shortages



State of the Industry Report

2023 Edition



PO Box 726
Falls Church, VA 22046
tel (703) 592-9889 fax (703) 592-9864
email fpi@fpi.org web www.fpi.org

WHAT ARE THE MOST IMPORTANT CHARACTERISTICS OF FOODSERVICE PACKAGING ITEMS?

2019	2021	2022	2023
<ul style="list-style-type: none">• Performance• Appearance• Cost	<ul style="list-style-type: none">• Cost• Performance• Appearance	<ul style="list-style-type: none">• Cost• PerformanceRecyclable	<ul style="list-style-type: none">• Cost• Compostable• Recyclable• Recycled-content• Performance

Source: FPI's 2019, 2021, 2022 & 2023 State of the Industry Survey

HOW DO YOU EXPECT THIS YEAR TO BE COMPARED TO THE PREVIOUS YEAR...

- In terms of volume:

2021	2022	2023
84% better 7% worse 9% the same	72% better 7% worse 21% the same	50% better 27% worse 23% the same

- In terms of profit:

2021	2022	2023
72% better 14% worse 14% the same	58% better 15% worse 27% the same	38% better 29% worse 32% the same

TOP MARKET SEGMENTS THAT WILL SEE GROWTH IN THE NEXT 5 YEARS?

2021	2022	2023
<ul style="list-style-type: none">1) Fast Casual2) Chain QSR2) Supermarket/Grocery4) C-stores5) Hospitals	<ul style="list-style-type: none">1) Supermarket/Grocery2) Fast Casual2) Chain QSR4) C-stores5) Independent QSR	<ul style="list-style-type: none">1) Fast Casual1) Supermarket/Grocery3) Chain QSR3) C-store5) Independent QSR

CONSUMER PERCEPTIONS

FPI CONSUMER PERCEPTIONS SURVEY & REPORT

conducted in 2019 and again in 2021

TOP ENVIRONMENTAL CONCERN

Single-use items may end up as litter on land and in waterways.



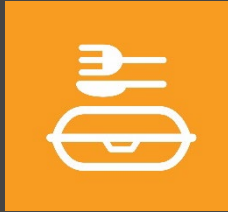
BRAND COMMITMENTS

OPERATOR AND RETAILER SUSTAINABILITY COMMITMENTS, FOR PACKAGING, MOST LIKELY TO INCLUDE:

- Recyclable or compostable
- Recycled content
- Sustainably sourced

ADDITIONAL INTERNAL AND EXTERNAL FACTORS:

- Supplier commitments (material and manufacturing)
- Pacts or alliances
- Legislative and regulatory



POLICY

KEY POLICY ACTIVITY

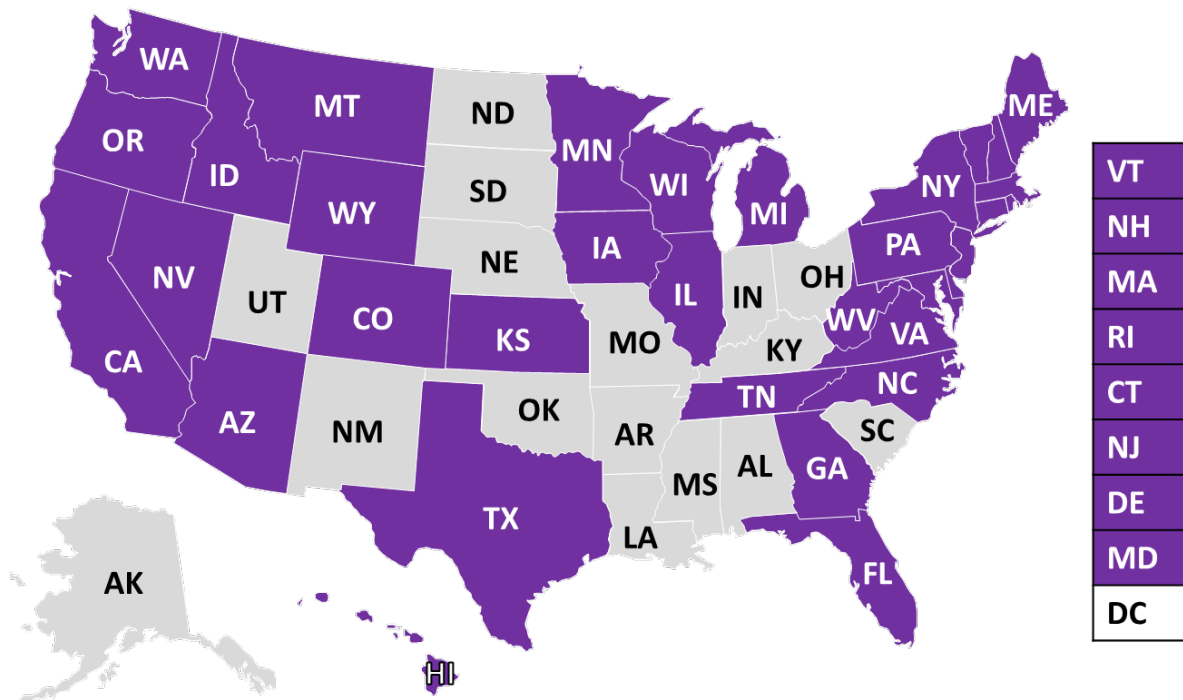
- Activity at every level of government
- Ongoing federal activity relating to foodservice packaging under their plastics initiatives
- Provincial extended producer responsibility program introduction, evolution, expansion and harmonization efforts
- British Columbia building on federal prohibitions of foodservice packaging



KEY POLICY ACTIVITY

- State level legislative and regulatory activity having the greatest potential impact on foodservice packaging
- Pause in the passage of EPR programs for packaging, with needs assessments/studies passing instead
- Previously approved EPR for packaging has not eliminated proposed and new bans of foodservice packaging





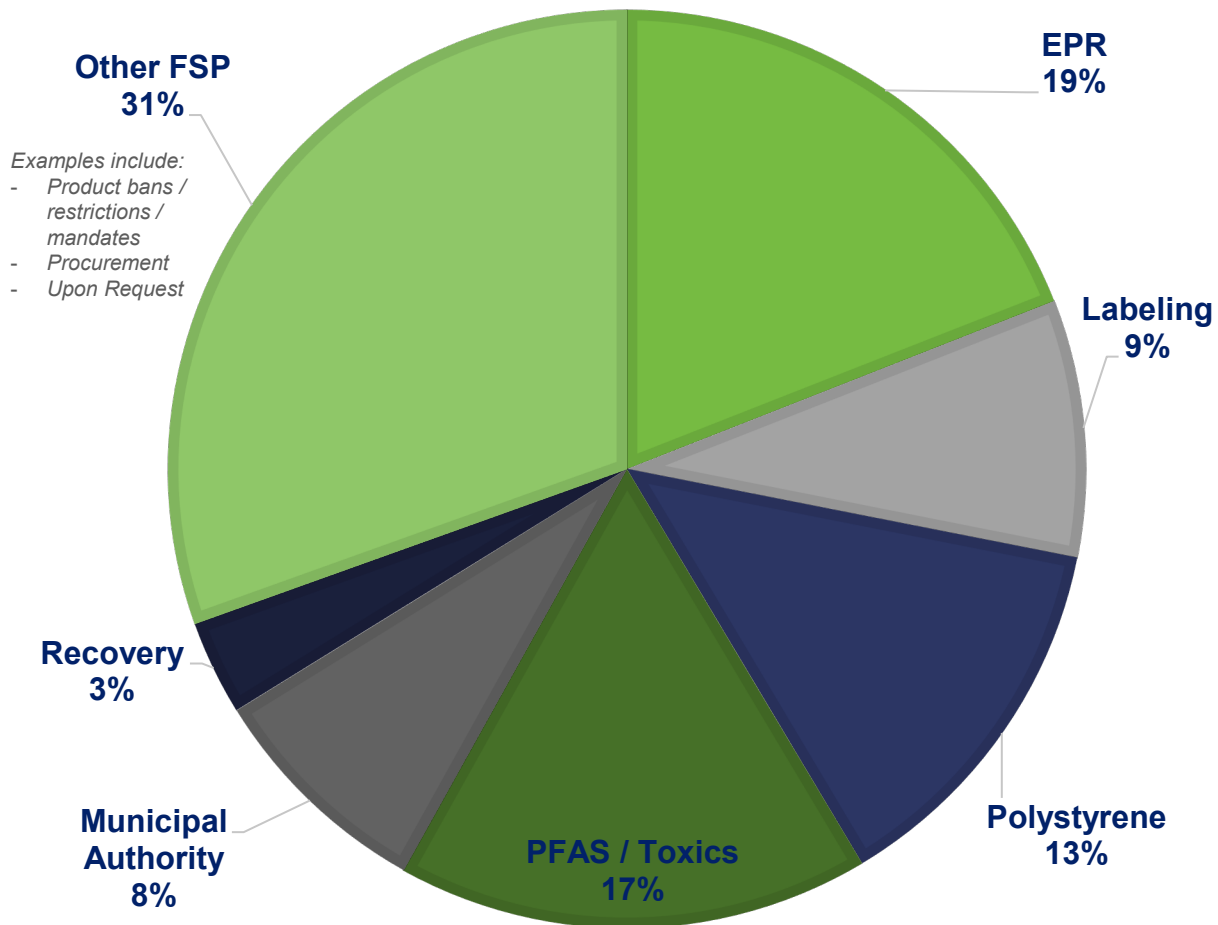
As of October 2023

2023 STATE LEGISLATIVE LANDSCAPE

~230 proposed pieces
of legislation relating to
FSP in 34 states.



2023 STATE ACTIVITY POLICY AREAS



PASSED



Foam Polystyrene

DE SB 51 (+ plastic beverage stirrers/picks)

IL SB 58

OR SB 543 (+PFAS)

RI HB 5090 / SB 14 (+ plastic beverage stirrers)



Labeling

CO SB 253 (Phase 1 – January 1, 2024)

OR SB 123



Extended Producer Responsibility

(Needs Assessment / Studies)

IL SB 1555

MD SB 222

NH 253

STATE ACTIVITY: CALIFORNIA



CA SB 665

- Single Use Plastics Alternatives – Working Group

CA SB 303

- SB 54 clean-up bill re: dispute resolution process and responsible end market provisions

CA AB 1489

- Eliminates SB 54 Source Reduction Requirements for Compostable Covered Materials

REMAINING 2023

- New York
- New Jersey
- Pennsylvania
- Wisconsin

What's Left?



THE FUTURE ...

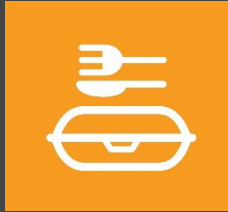
CANADA

- Continued action on initiated federal plastic initiatives
- Plastic Pollution INC 4 in Ottawa
- Provincial EPR introduction, implementation, harmonization

UNITED STATES

- Reintroduction of and new state EPR proposals
- Data collection via needs assessments and studies
- Expect material restrictions, chemical bans and labeling to be individually addressed and/or as part of EPR
- Significant regulatory activity





RECOVERY

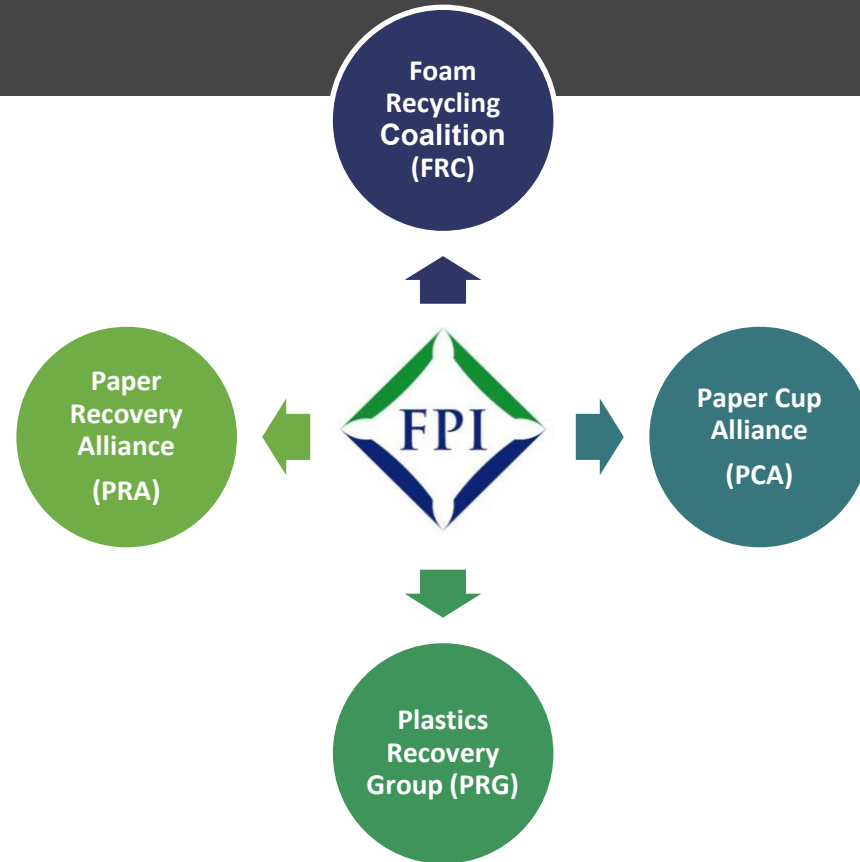
WHEN WE STARTED THIS JOURNEY



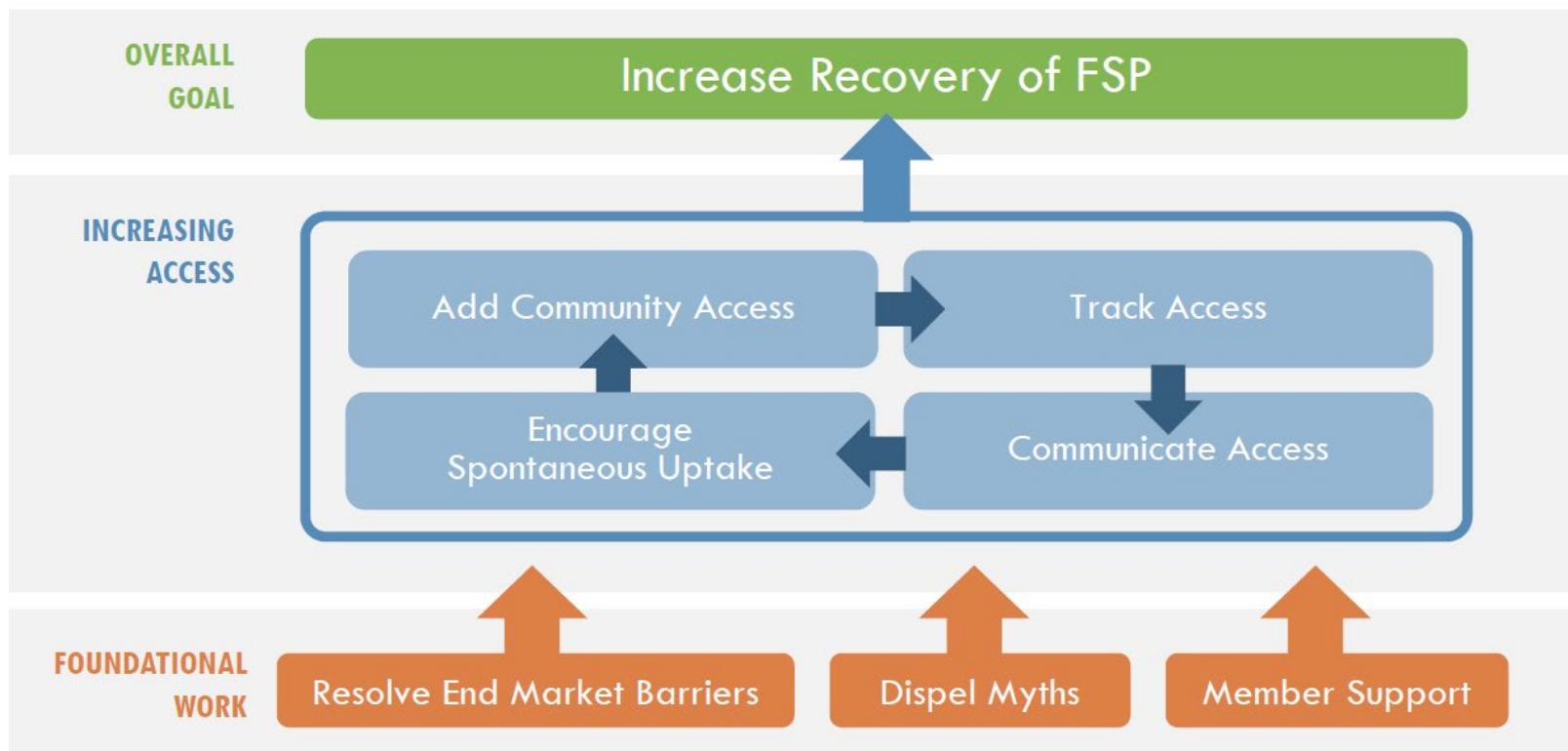
We understood:

- Too little foodservice packaging was being recovered
- No one company had enough volume or influence to effect broad change alone
- We needed to work collaboratively to develop and promote economically viable and sustainable recovery solutions for used foodservice packaging

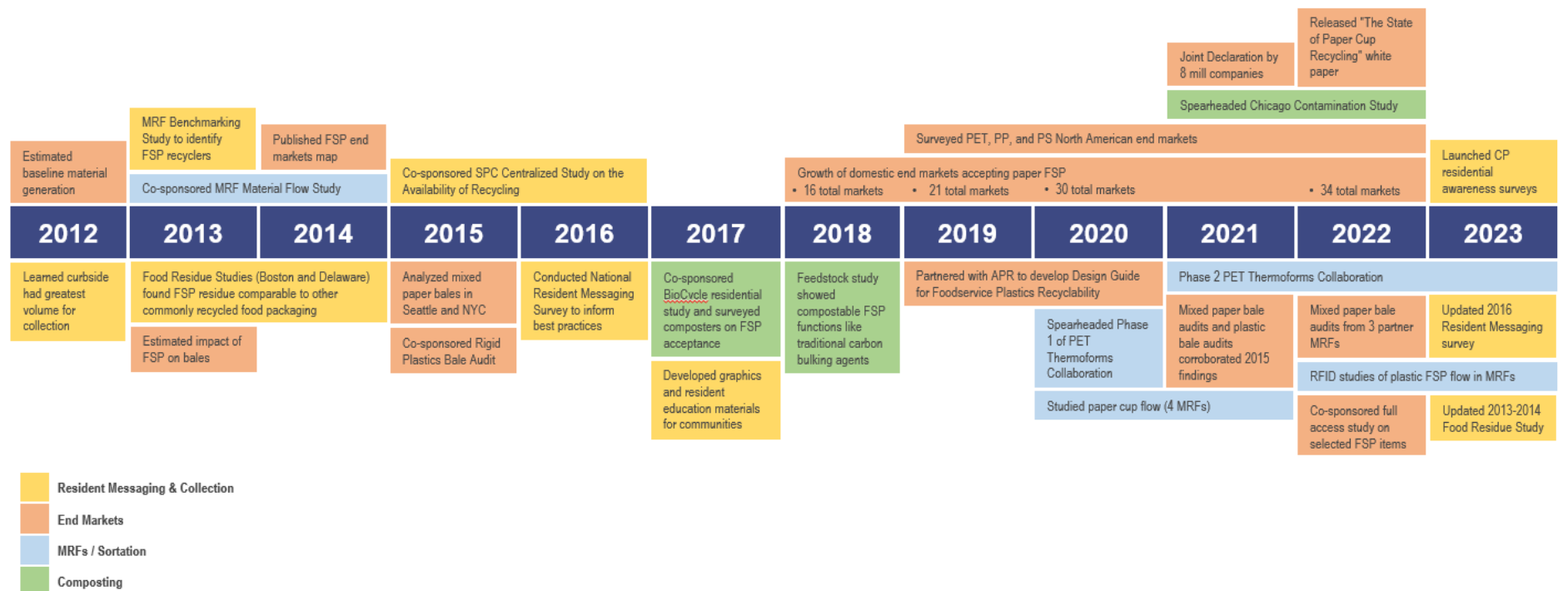
FPI SPECIAL INTEREST GROUPS



OVERVIEW OF APPROACH



FOUNDATIONAL WORK



CURRENT PRA/PRG/PCA GROUP MEMBERS



Impact on Foodservice Packaging Recovery

AUTHORITATIVE RESEARCH

FPI's extensive research and collaborations have enabled the industry to clarify and quantify the opportunities to recover more foodservice packaging.

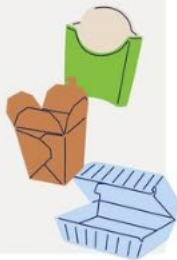
MRF Survey: 70% MRFs accept pizza boxes; 50% accept rigid plastic cups or takeout containers

MRF Flow Studies: Identified best opportunities to capture foodservice packaging

National Resident Survey: Identified clearest messaging; informed toolkit design

Bale Studies: Determined how much foodservice packaging arises in bales

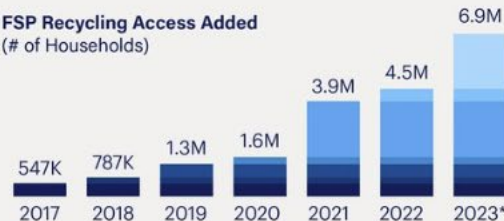
Food Residue Study: Found little to no difference between foodservice packaging versus other commonly recycled food packaging



GROWING RECYCLING ACCESS

FPI works with communities and MRFs to add foodservice packaging to recycling programs.

FSP Recycling Access Added
(# of Households)



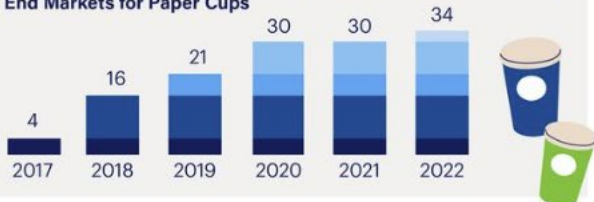
IMPACT
Foodservice packaging can be recycled by **6.9 MILLION** ADDITIONAL HOUSEHOLDS

*Jan-June 2023

END MARKET DEVELOPMENT

FPI engages with stakeholders to expand end markets for recovered foodservice packaging materials.

End Markets for Paper Cups



IMPACT

Paper cups are now accepted by mills representing over **75% OF U.S. & CANADIAN MIXED PAPER DEMAND**

SHARING RESOURCES

Resident education toolkit, best practices, case studies, and other resources are available on www.RecycleFSP.org



IMPACT

100s OF COMMUNITIES impacted by FPI supported resident education campaigns

INFLUENCE & LEAD

From published articles to expert quotes to research references, FPI is at the center of FSP recovery discussions.

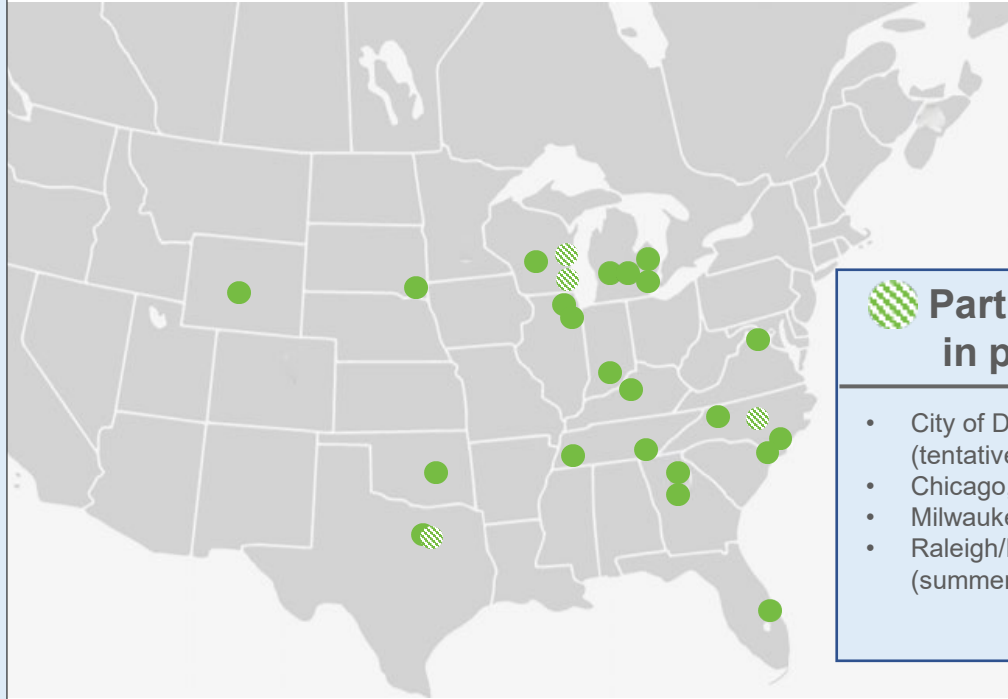
GreenBiz
Packaging World
Plastics Today
Recycling Product News
Recycling Today
Resource Recycling
Sustainable Packaging Coalition
Waste Dive
Waste Management World
Waste360



FPI COMMUNITY PARTNERSHIP REACH

Partnerships Launched

- Chattanooga, TN
- Washington, DC
- Louisville, KY
- Denver, CO
- Millennium Recycling (Sioux Falls, SD)
- Kent County, MI
- Clark County, IN
- St. Lucie County, FL
 - Martin County, FL
 - Indian River County, FL
- Athens-Clarke County, GA
- Atlanta, GA
 - DeKalb County, GA
- Lansing/East Lansing, MI
- Detroit, MI
 - RRRASOC MRF (Oakland County, MI)
 - GFL MRF (New Boston, MI)
- Pellitteri Waste Systems (Madison, WI)
- Groot Industries and LRS (Chicago region, IL)
- New Hanover County, NC
- Catawba County, NC
- Tulsa, OK
- Dallas, TX
- Memphis, TN
- Brunswick County, NC



Partnerships in progress

- City of Dallas, TX (tentative)
- Chicago, IL (tentative)
- Milwaukee, WI (on hold)
- Raleigh/Durham (summer 2024)

As of October 9, 2023



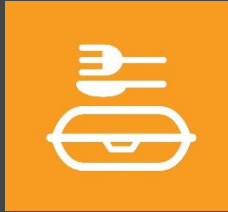
FOODSERVICE PACKAGING
INSTITUTE

ENGAGEMENT

END OF 2023 AND 2024 ENGAGEMENT SCHEDULE

- APR Packaging Design Guides Webinar
 - Dec 12, 3pm eastern
 - Open to all
- New Member Onboarding Call – Jan 2024
- 2024 Kick-off Call – Feb 2024
- Spring Member Meeting – April 30th, 2024, Destin, FL
 - PRA/PRG on April 30
- 2025 Planning Call – July 2024
- Fall Member Meeting – Oct 23rd, Denver, CO
- Monthly Task Force Meetings





WHAT'S NEXT...

WHAT'S NEXT FOR FOODSERVICE PACKAGING?

WORKING AT LIGHTSPEED

- Continued activity
 - Economic
 - Legislative/Regulatory
- Continued innovation
 - Voluntary and mandatory
- Continued circularity
 - Voluntary and mandatory



<https://starwars.fandom.com/wiki/Lightspeed/Legends>

PREPARING FOR 2024

2024 IS AROUND THE CORNER ... WE NEED YOU!

Member input and engagement remains critical to our efforts

Get involved!

- Participate in FPI's surveys
 - January: State of the Industry
 - September: Trends
- Join FPI's Recovery Groups
- Participate in FPI's Government Relations Committee
- Tell your coworkers: Member 101 webinar early Q1 2024
- Be sure that you are on our mailing lists
- Reach out anytime with feedback, questions and opportunities for FPI



CONTACT INFORMATION



Natha Dempsey ndempsey@fpi.org

Ashley Elzinga aelzinga@fpi.org

Carol Patterson cpatterson@fpi.org

www.fpi.org

