



STATE OF THE FOODSERVICE PACKAGING INDUSTRY

FPI FALL CONFERENCE
DENVER, CO
OCTOBER 24, 2024

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

OUTREACH AND ENGAGEMENT

- The FPI team attends approximately 45-50 national and regional conferences and events on an annual basis. Other networking meetings are routinely a part of team travel, including member site visits.
 - Facility tours and sales team meetings – please reach out!

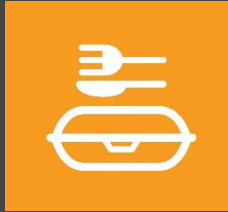
THE VOICE OF FOODSERVICE PACKAGING

OUTREACH AND ENGAGEMENT

- The FPI team engages with dozens of other associations, non-profits and allied groups that touch the foodservice packaging industry in some way. The level to which we engage and the methods we use vary depending on the group and the subject matter.
- These touchpoints span from basic communications alignment, technical or research related to policy and recovery work.
- Our allies offer the association and thereby the industry greater bandwidth representation and often a louder voice sharing our message.

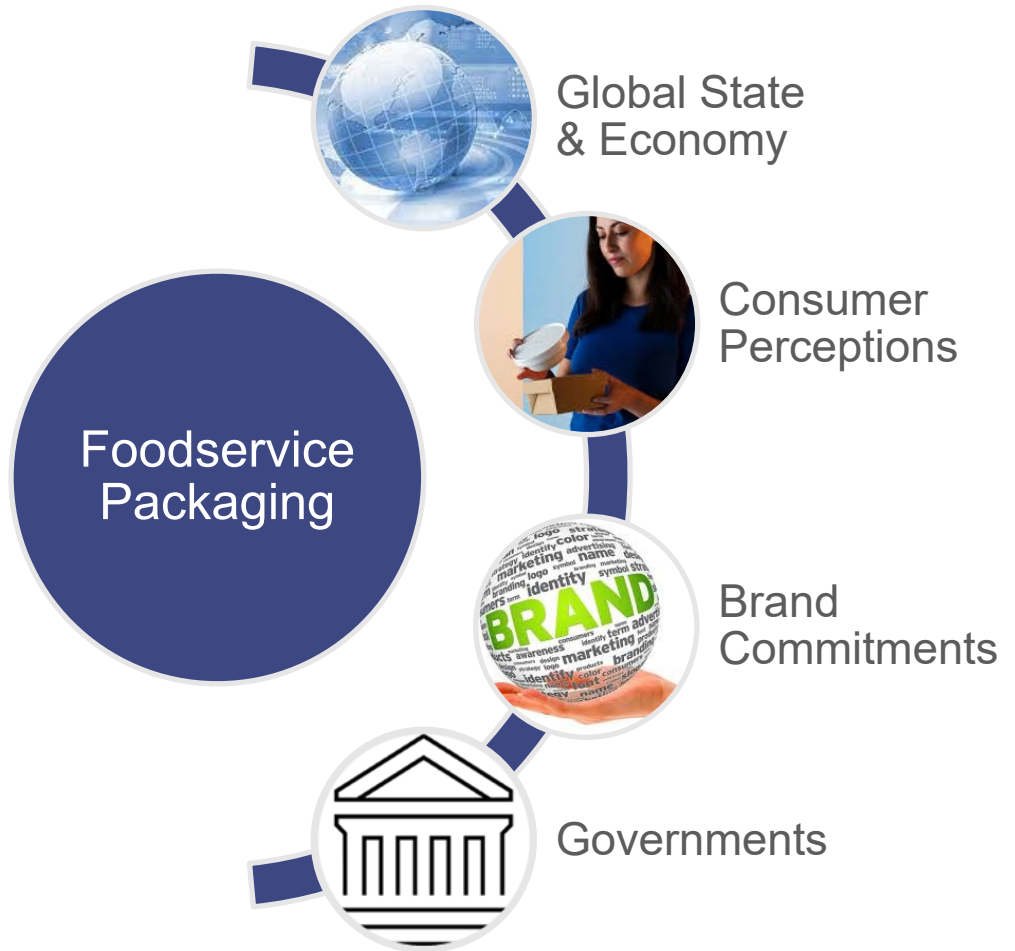
PEERS & PARTNERS SNAPSHOT





INFLUENCES

INFLUENCES ON THE STATE OF THE FOODSERVICE PACKAGING





TRENDS REPORT



FOODSERVICE PACKAGING
INSTITUTE

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



TRENDS REPORT



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SNEAK PEEK 2024 TRENDS REPORT

- Imports – both machinery and finished goods
- Noticeable urgency towards “sustainable packaging” – driven by the need to justify or replace
- EPR
 - Confusion in regulations
- Shorter lead times for domestic machinery/equipment
- Automation still a focus to help with labor issues
- New materials/innovation focus
- Material shifts, innovation bringing in new materials types, shift from plastic to paper.
- M&A/Consolidation



State of the Industry Report



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WHAT ARE THE MOST IMPORTANT CHARACTERISTICS OF FOODSERVICE PACKAGING ITEMS?

2019	2021	2022	2023	2024
<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 • Performance • Recyclable 	<ul style="list-style-type: none"> • Cost • Compostable • Recyclable • Recycled-content • Performance 	<ul style="list-style-type: none"> • Cost • Performance • Recyclable

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

- In terms of volume:

2022	2023	2024
72% better 7% worse 21% the same	50% better 27% worse 23% the same	57% better 10% worse 33% the same

- In terms of profit:

2022	2023	2024
58% better 15% worse 27% the same	38% better 29% worse 32% the same	35% better 23% worse 42% the same

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

2022	2023	2024
<ol style="list-style-type: none">1) Supermarket/Grocery2) Fast Casual2) Chain QSR4) C-stores5) Independent QSR	<ol style="list-style-type: none">1) Fast Casual1) Supermarket/Grocery3) Chain QSR3) C-store5) Independent QSR	<ol style="list-style-type: none">1) Chain QSR1) C-store1) Fast Casual4) Supermarket/Grocery5) Hospitals

CONSUMER PERCEPTIONS

FPI CONSUMER PERCEPTIONS SURVEY & REPORT

conducted in 2019 and again in 2021

TOP ENVIRONMENTAL CONCERN

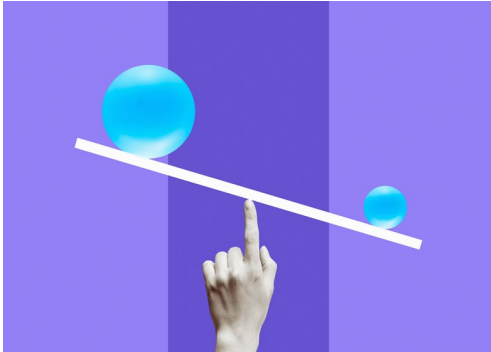
Single-use items may end up as litter on land and in waterways.



CONSUMER PERCEPTIONS

FOODSERVICE INDUSTRY PERCEPTIONS

- Consumer sentiments
 - Quick service/fast casual foodservice perceptions (price tag for experience)
 - Economics
 - Inflation
 - At home and away from home food shifts



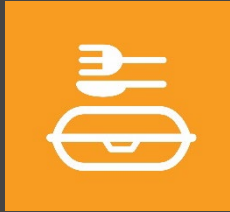
BRAND COMMITMENTS

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





Nine State Laws Including*:

- Polystyrene bans (3)
- EPR (2)
- Labeling (2)
- Upon Request (2)
- Toxics/PFAS (1)



Nine State Laws Including*:

- Toxics/PFAS (4)
- EPR (2)
- PCR (1)
- Labeling (1)



Nine State Laws Including*:

- Polystyrene (4)**
- Needs Assessment (2)
- Labeling (2)**
- Toxics/PFAS (1)



- ON EPR Transition
- NB New EPR Program

- Federal Single-use Plastics Prohibition
- QC EPR Transition
- AB New EPR Program

- BC Single-Use and Plastic Waste Prevention Regulation
- NS New EPR Program

* Some laws include more than one topic, not all laws represented

** Some with limited scope

2024 POLICY ACTIVITY

CANADA

- Federal activity relating to foodservice packaging under their plastics initiatives on pause, except for the plastics registry
- Continued provincial extended producer responsibility program introduction, evolution, expansion and harmonization efforts
- Provincially, British Columbia remains most active on single-use and plastics

UNITED STATES

- Federal activity relating to single-use plastics has increased recently
- Primary activity impacting foodservice packaging at remains at the state level
- EPR policy proposals continue to be a vehicle for many policies and topics
- Aspirational goals translating to legislative proposals

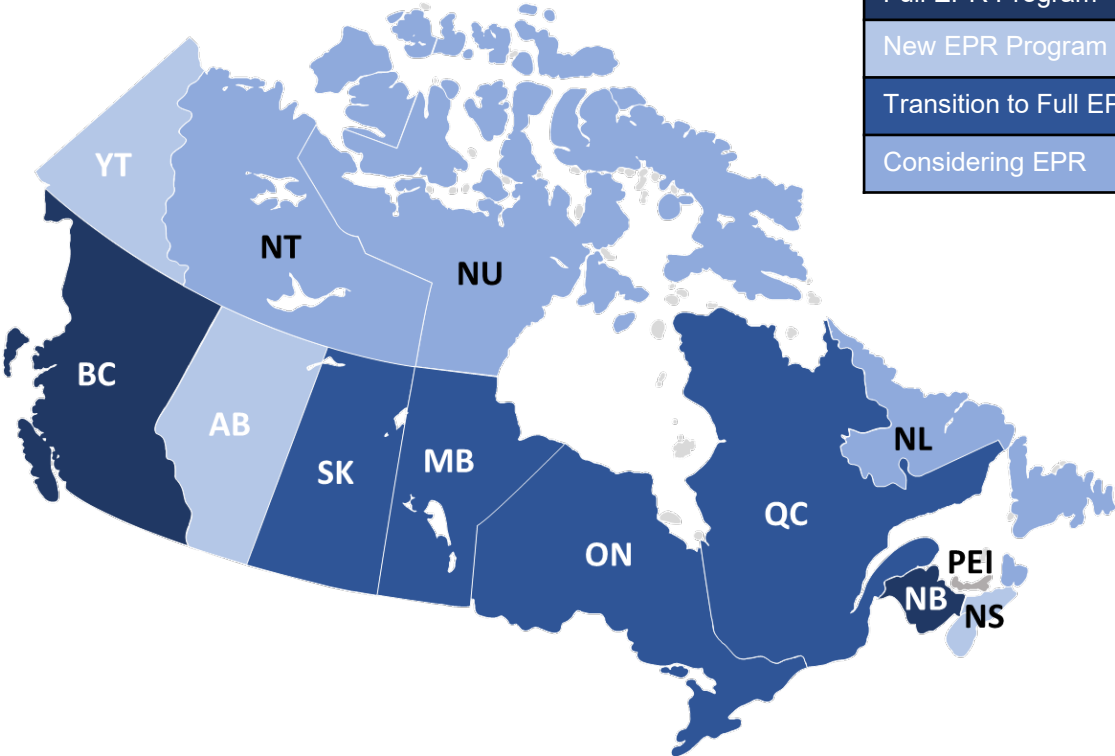
Legislative and regulatory definitions of “plastics” continue to go beyond plastics-only items

Extended Producer Responsibility (EPR)

2024
PROVINCIAL
ACTIVITY

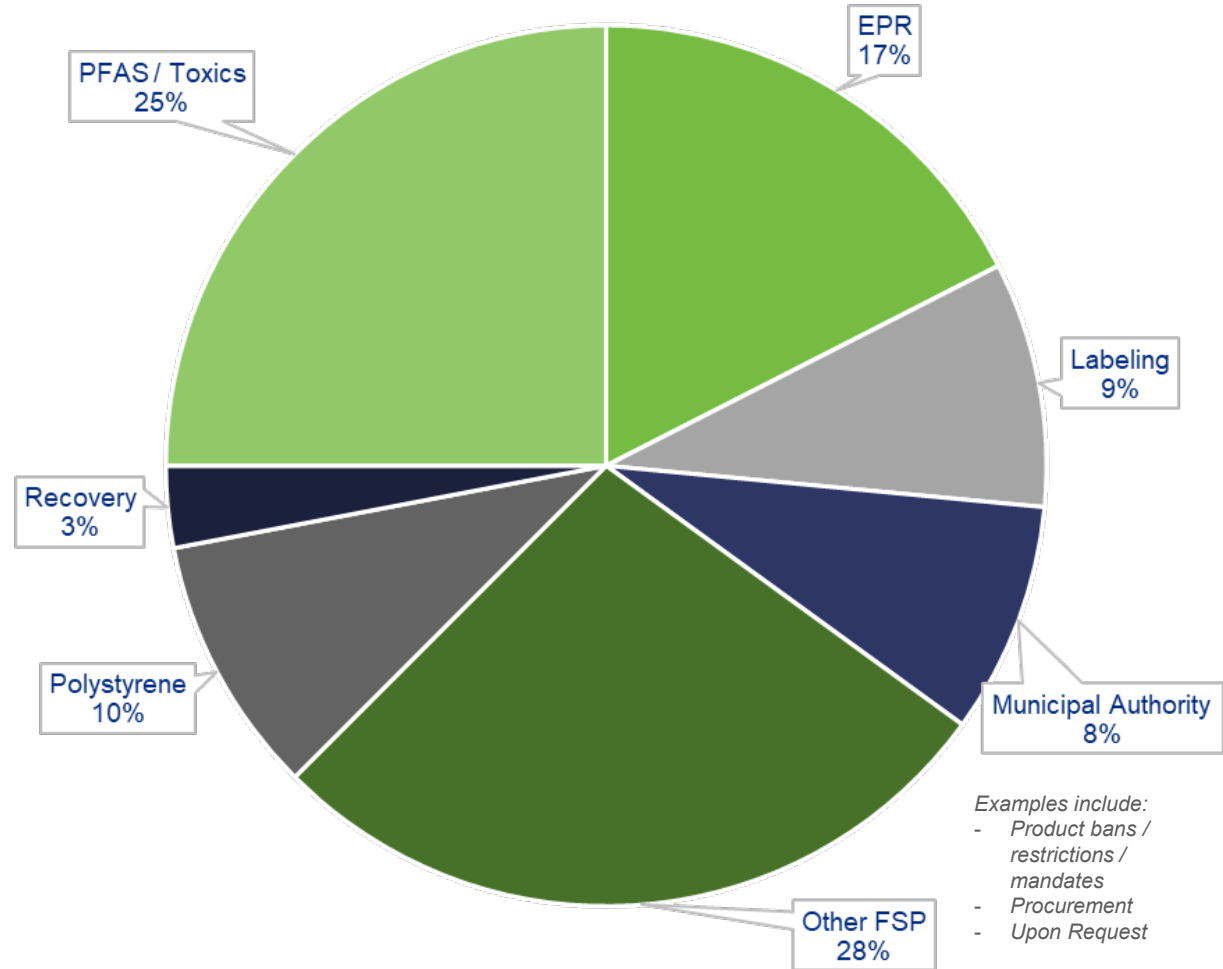
LEGEND

Full EPR Program
New EPR Program
Transition to Full EPR
Considering EPR



Source: <https://midwesternnewspapers.com/ontario-government-proposes-changes-to-blue-box-program>

2024 STATE ACTIVITY POLICY AREAS



2024 FPI ENGAGEMENT

Bans
EPR^{PFAS}
Polystyrene
Labeling
Recycled Content

LEGISLATIVE ENGAGEMENT



REGULATORY ENGAGEMENT

2024
PASSED



Labeling

Maine: HP 193 / LD 295 *An Act to Incentivize Accurate Recyclability Labeling on Packaging Material*

Washington: HB 2301 *Waste Material Management—various Provisions*



Extended Producer Responsibility

Minnesota: HF 3911 *Environment and natural resources supplemental budget bill*



Other

California: SB 1053 *Reusable grocery bags, and plastic film prohibition*

CA AB 347 *Toxic substances: testing and enforcement*

Rhode Island: SB 2850 *Toxic Packaging Reduction Act*



**2024
CALIFORNIA
DID NOT
PASS**

SB 1167 – Single-use drinking vessels (failed)

SB 1231 – Plastic Pollution Prevention and Packaging Producer Responsibility Act: environmental advertising (failed)

AB 2761 – Plastic packaging: Reducing Toxics in Packaging Act (PFAS, PVC, PVDC) (failed)



CALIFORNIA REPUBLIC

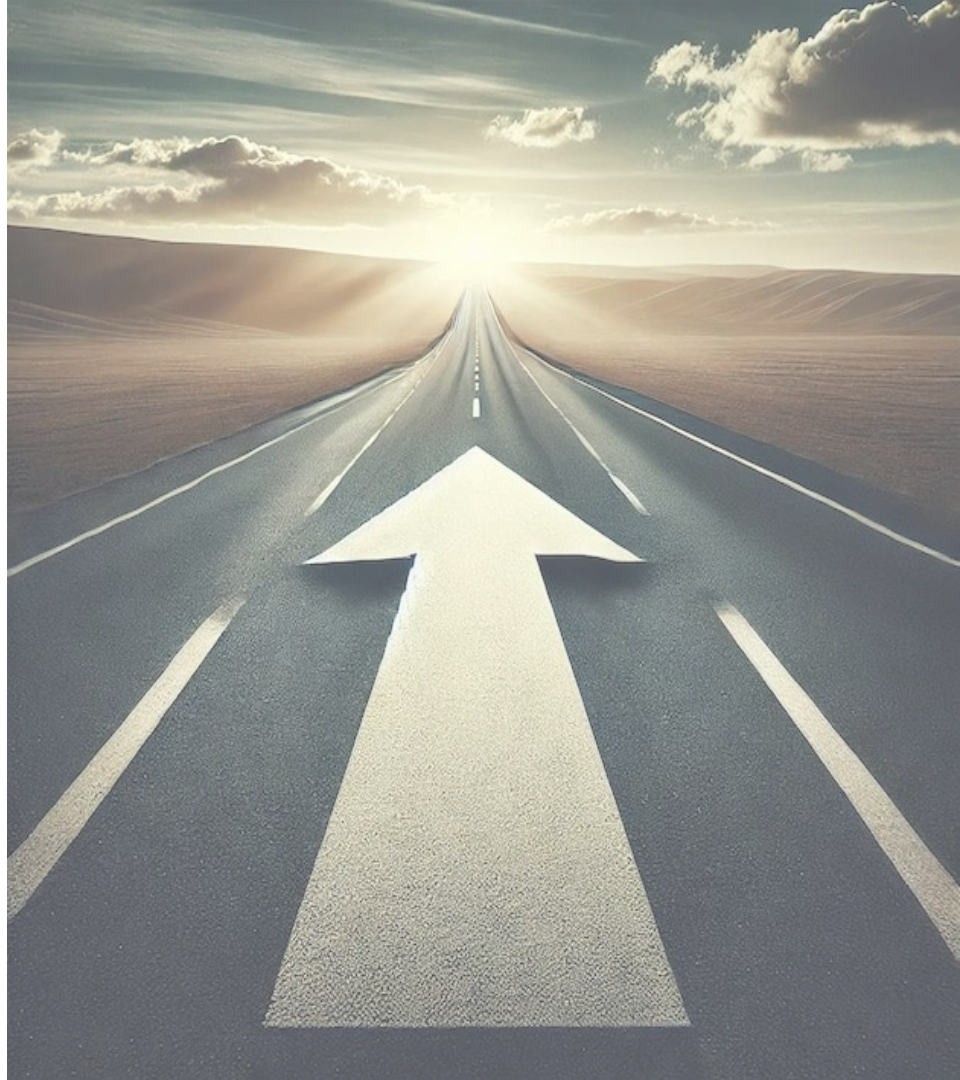
THE FUTURE

CANADA

- Federal plastics agenda dependent on court appeal
- Provincial EPR introduction, implementation, harmonization

UNITED STATES

- States to watch 2024: Michigan and New Jersey
- 2025 reintroduction of and new state EPR proposals
- Significant ongoing regulatory activity
- Expect material restrictions, chemical bans and labeling to be individually addressed and/or as part of EPR



WHY EPR?

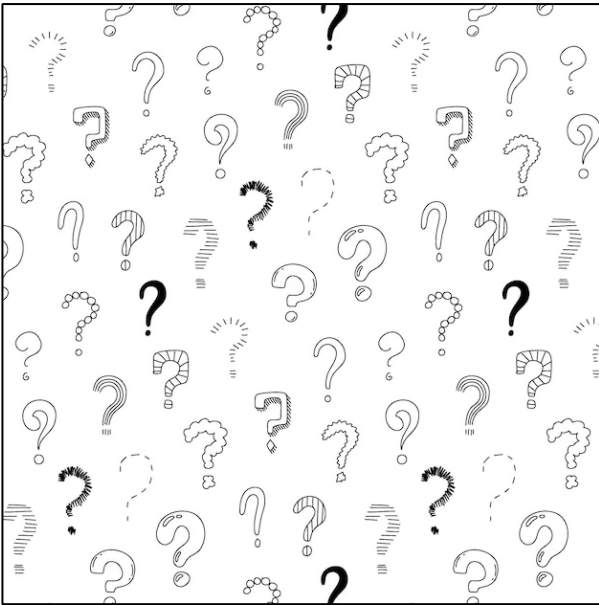
CALIFORNIA

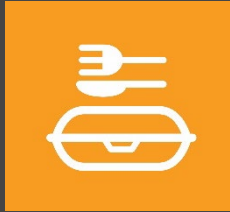
... All covered material offered for sale, distributed, or imported in or into the state on or after **January 1, 2032**, is **recyclable** in the state or eligible for being labeled **compostable** ...

MINNESOTA

After **January 1, 2032**, no producer may introduce covered materials unless covered services are provided for the covered materials through a program in a stewardship plan approved by the commissioner and the covered materials are:

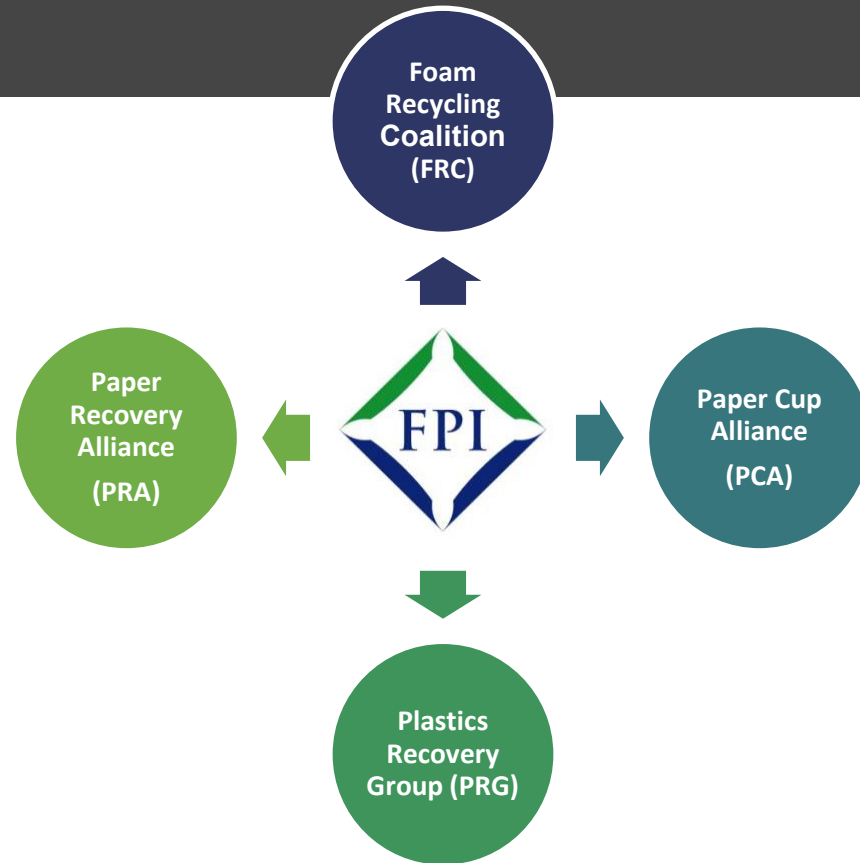
1. considered **reusable** and capable of being managed through a reuse system...
2. capable of **refill** and supported by a refill system
3. included on the **recyclable / compostables** lists





RECOVERY

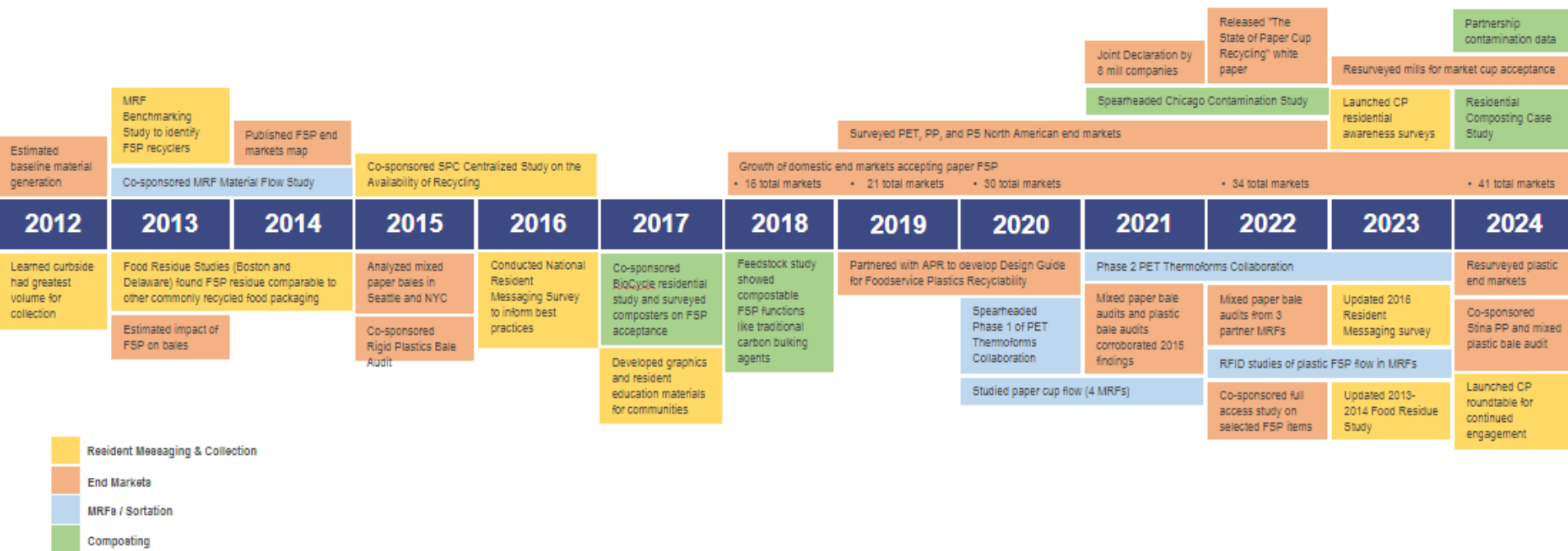
FPI SPECIAL INTEREST GROUPS



CURRENT PRA & PRG MEMBERS



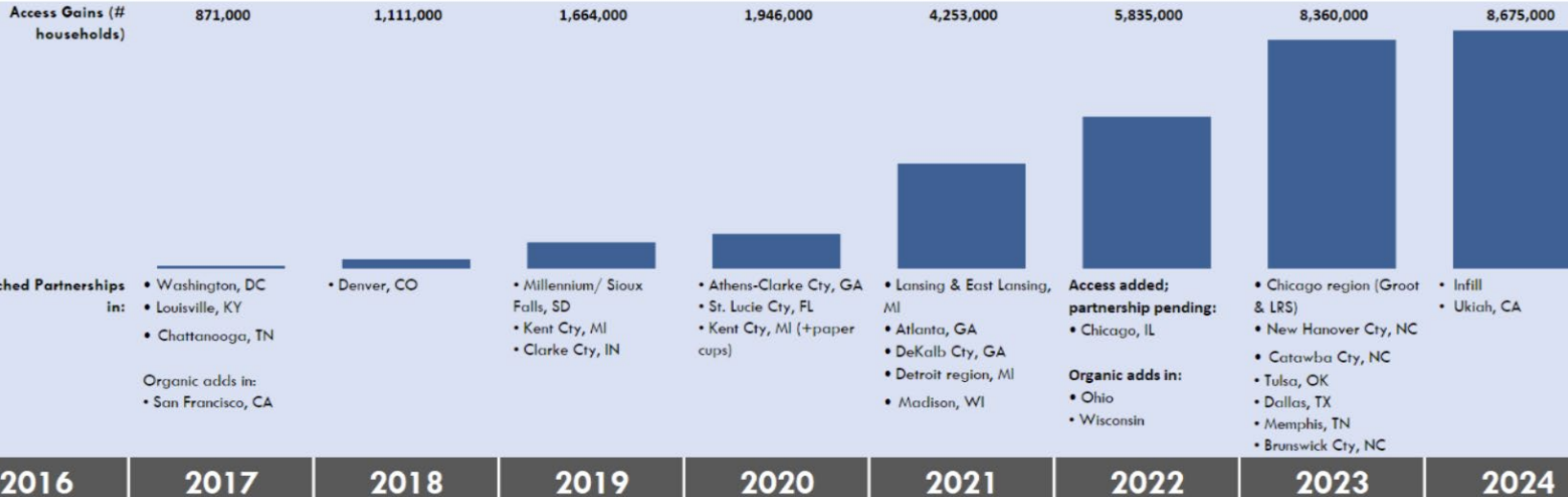
FOUNDATIONAL WORK



IMPACT OF PRA, PRG & PCA

Action & Impacts

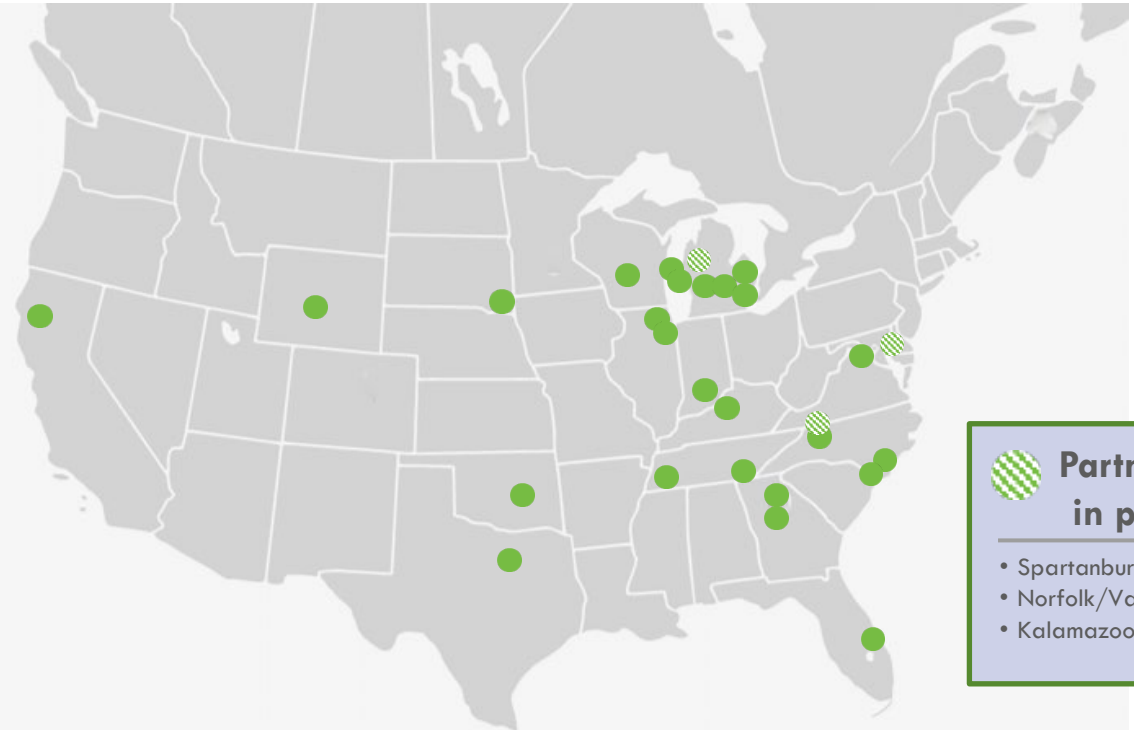
Building Access



PRA/PRG 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, LRS, SWALCO (Chicago region, IL)
- New Hanover County, NC
- Catawba County, NC
- Tulsa, OK
- Dallas, TX
- Memphis, TN
- Brunswick County, NC
- Chicago, IL
- Ukiah, CA



- ### Partnerships in process
- Spartanburg, SC
 - Norfolk/Va Beach, VA
 - Kalamazoo, MI

As of October 2024

FOCUS SHIFT: EPR STATES

- EPR programs taking shape in OR and CO
- Dialogues with CalRecycle
 - CA webinar set for Q1 2025, with follow-up webinar later in 2025
- Focus on creating on-ramps for FSP to keep products in the marketplace

RECENT ACCOMPLISHMENTS

- CO CAA visit at the meeting
- First CA launch with Ukiah
- Residential Compost Report
- Webinar Series



YOU CAN NOW RECYCLE YOUR PAPER CUPS!

Don't trash your paper cups, recycle them!
Empty, clean and loose in your cart.

Ukiah Waste Solutions
314 likes · 399 followers

Posts About Photos Videos

Intro
Ukiah Waste Solutions is a leading provider of comprehensive solid waste and recycling services.

Page · Waste Management Company
3515 Taylor Dr, Ukiah, CA, United States, California

Ukiah Waste Solutions
October 11 at 10:25 AM · 📍
Our driver, Dakota had the best time at this event! 🥳



RESIDENTIAL COMPOSTING & FOODSERVICE PACKAGING: EIGHT PROGRAM CASE STUDIES

September 2024



FPI
FOODSERVICE PACKAGING
INCORPORATED

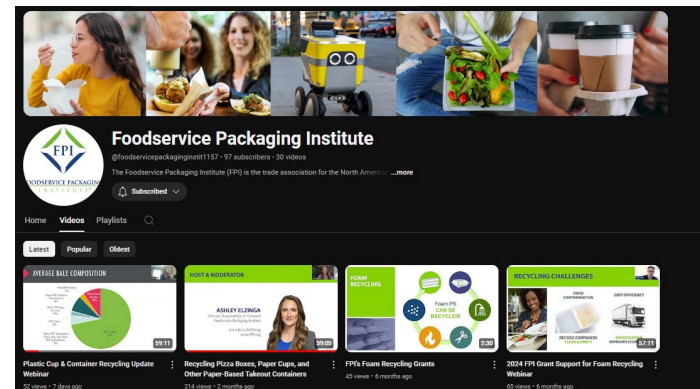
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WEBINAR SERIES

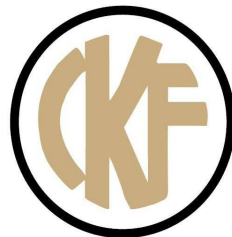
- Open to all!
- PS Foam Recycling Grants – April
- Recycling Pizza Boxes, Paper Cups, and Other Paper-based Takeout Containers – July
- Plastic FSP Recovery – October
- Compostable FSP – Coming soon! November

Follow our YouTube channel!

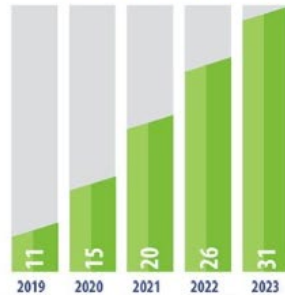
Marketing Panel tomorrow!



CURRENT FRC MEMBERS

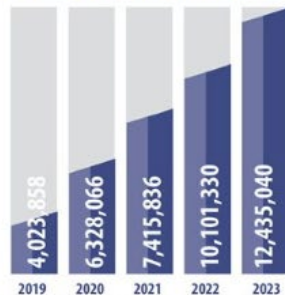



**ACTIVE
GRANT PROJECTS**



34 total grants have been awarded. Chart shows cumulative number of FRC grantees that have installed equipment and are operating foam PS recycling programs through the end of 2023.


**INCREASE IN ACCESS TO
FOAM RECYCLING PER YEAR**



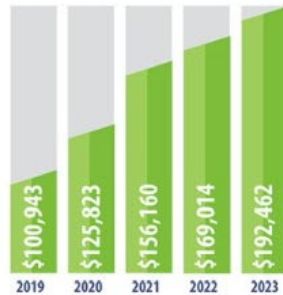
Additional population that have access to foam recycling based on active FRC grant projects.



Impact of Foam PS Recycling Grants in North America

FPI's Foam Recycling Coalition has awarded grants across North America to increase the recycling of foam polystyrene. The data here summarizes the impact of the grants that have been implemented from 2019 through 2023. FRC began awarding grants in 2015. For more details, please visit www.RecycleFoam.org.


**VALUE OF FOAM
RECYCLED PER YEAR (\$USD)**



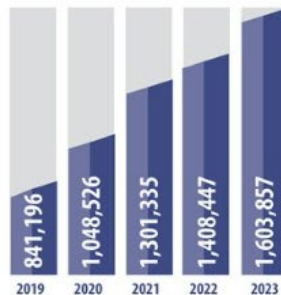
Market value of densified post-consumer foam PS packaging collected by grantees


**LANDFILL SPACE SAVED PER YEAR
(53FT TRAILER LOADS)**

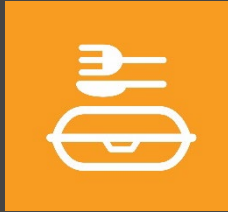


Volume of foam converted to an equivalent number of tractor trailer loads. 53 ft trailer = 3,816 cubic feet, non-densified foam = 1.30lb./ cubic ft.


**TOTAL WEIGHT OF FOAM
RECYCLED PER YEAR (LBS)**



Reported weight collected for recycling from active grantees.



WHAT'S NEXT...

WHAT'S NEXT FOR FOODSERVICE PACKAGING?

WORKING AT LIGHTSPEED

- Continued Legislative/Regulatory activity
- Continued innovation and circularity
- Consolidation
- Recovery?



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

PREPARING FOR 2025

2025 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 2025
- Be sure that you are on our mailing lists
- Reach out anytime with feedback, questions and opportunities for FPI



CONTACT INFORMATION



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