

EPA DfE BPA in Thermal Paper Partnership: Downstream User Perspective

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EPA Design for the Environment (DfE) Partners Perspective

- Partner of EPA DfE voluntary program for nearly ten years.
- In year 2001, there were about 20 EPA DfE Formulator Initiative Partners with less than 200 recognized cleaning products.
- Today there are more than 200 EPA DfE Formulator Initiative Partners with more than 2000 recognized cleaning products.



What attracted us to the EPA DfE Partnership ten years ago?

- Encouraged the design and use of products with a more positive environmental profile.
- Allowed us to submit chemicals for review during the product design stage.
- Provided access to EPA data and resources.
- Offered scientific and technical expertise to look at our formulations and give insight into how we might eliminate chemicals of concern from our supply chain.



What attracted us to the EPA DfE Partnership ten years ago?

- Validated human and environmental health information before we finalized raw material commitments or offered marketing claims.
- Reduced our regulatory burdens by identifying problematic ingredients BEFORE we formulate.
- Avoided costs associated with chemicals of concern remediation.
- Reduced operating costs associated with chemical hazards.



Risks and Costs

"There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction."

John F. Kennedy 35th president of the United States



Impact of Ineffective Chemicals Management On People, Planet, Performance and Profit

- Results in harm to human and animal health and/or well-being
- Results in harm to the natural and built environments.
- Results in damage to business reputation and brand
- Results in higher costs to businesses and lower ROI
 - ✓ Supply chain disruption and company remediation costs
 - ✓ Product recall and replenishment costs
 - ✓ Product re-design or modification costs
 - ✓ Increases product life cycle costs
- Results in higher costs to consumers
- Results in higher costs to communities and taxpayers
 - ✓ Increases publicly owned treatment and disposal costs
 - ✓ Increases environmental remediation costs
 - ✓ Increases health care costs associated with chemical hazards and exposures



What is driving the demand for safer alternatives?

Legislation and regulation

 A growing regulatory trend toward limiting the use of certain hazardous chemical ingredients has many retailers scrambling to find ways to manage their complex supply chains.

The growing "green" market

- Eco Labeling
- Websites providing ratings on "green" products
- Fear of greenwashing (FTC Marketing Guidelines)
- Testing of products to detect COCs by environmental activists, regulators and/or litigators

Consumer and media focus on specific COC

- Flame retardants, mercury, lead, cadmium, BPA, phthalates and other chemicals of concern in products
- Product recalls related to COC

Push for full ingredient disclosure

 Consumer awareness and belief they have a "right to know" chemicals of concern that are in the products they buy before they purchase them.



Forces of Change Consumer awareness equals higher expectations

- Growing number of Downstream Users are asking suppliers and retailers to provide greater transparency and disclose chemicals in products.
- Some of these consumers are asking their suppliers to go above and beyond compliance when it comes to the elimination of chemicals of concern from their supply chain.





Here is a list of questions that <u>downstream users</u> are beginning to ask suppliers

- What chemicals of concern are in the products that you offer?
- Have you eliminated the worst chemicals and replaced them with safer alternatives while committing to continuous improvement on the others?
- Do you fully disclose chemicals and/or ingredients in your product?
- How can we recognize a product made from safer and/or greener alternatives?
- What assurance do we have that a "hazard assessment" has been done for all chemical components in existing products you are offering us?
- What is your business doing to prevent the extra costs associated with ineffective chemicals management in the supply chain today?



Retailers are forced to confront a host of risky issues related to chemicals management

- Retailers are asked to protect their customers from chemicals of concern while many of these chemicals are not disclosed by manufacturers or are untested;
- Retailers need more comprehensive information about chemicals in products while respecting chemical companies need to protect legitimate trade secrets;
- U.S. Retailers can inherit liability risk when trade partners' are not in compliance;
- Retailers' are spending money for product-testing to identify COC and safer alternatives when disclosure of chemicals from chemical is a more direct route to knowing what is in a product.



Barriers to obtaining comprehensive and credible information about chemicals in products

- Invoking confidential business information (CBI) privilege may protect one businesses' intellectual property while at the same time increasing the risk to downstream users or businesses that buys that product.
- Invoking proprietary ingredient and trade secret privilege for chemicals of concern without disclosing their presence in a product can increase the risk to downstream users, consumers and communities.
- De minimus level policies to exclude disclosure of chemicals of concern can pose a business risk to companies that sell those products.



What strategies are organizations using to meet the need for safer alternatives?

- Adopting chemicals policies that require chemical disclosure
- Applying informed substitution and DfE
- Conducting safer alternatives assessments
- Applying green chemistry and green engineering into product design
- Supply chain collaboration and partnerships



Benefits of identifying and using safer alternatives

Limits Risk

- Avoid "toxic lockout"
- Lower litigation risks
- Assure compliance
- Reduce or eliminate exposure
- Lowers risk of green washing

Creates Value

- Gain market share through innovation
- Cut costs associated with COC
- •Improve Productivity
- Build and maintain trust
- Eliminate Hazard

- •Prevent human and animal exposure to chemical hazards.
- •Sustain and preserve natural and built environment.
- •Protect business reputation and brand.
- •Avoid costs associated with chemicals of concern remediation.
- •Reduce operating costs associated with chemical hazards.



Leadership and vision

Some see things as they are and ask why, I see things as they should be and ask why not?"

Paraphrase of Robert F. Kennedy



THANK YOU