NORTHEAST RECYCLING COUNCIL
MIKE SMAHA, U.S. GOVERNMENT AFFAIRS
MARCH 21, 2019
Global HQ & Americas HQ
Perrysburg, Ohio
Our Global Customers

At O-I, the way we engage with our customers sets us apart.

We are developing new capabilities, leveraging our strengths across the enterprise, and working with a customer-centric mindset to enable the success of our partnerships.
Brand/Customer Perspective

• Environmental consciousness within supply chain
  • Shareholder Activists
  • Consumer Expectations
  • Corporate Sustainability Reports
• Post-consumer packaging is premium
  • Glass
  • PET
  • Aluminum
• Consumer pays that price
Recycled Content Economics Chain

- What will the consumer pay
- What the brand will pay
- What the manufacturer will pay
- What the processor will pay
- Contamination level at the MRF

“On average, about 25 percent of the stuff we try to recycle is too contaminated to go anywhere but the landfill, according to the National Waste and Recycling Association.” Koerth-Baker, Maggie (2019, January 10) The Era Of Easy Recycling May Be Coming To An End. Retrieved from https://fivethirtyeight.com/features/the-era-of-easy-recycling-may-be-coming-to-an-end/

“‘By the time the so-called glass gets to glass processing facility, it’s really glass mixed with 30 to 50 percent other stuff, which is trash,’ [Susan] Collins said.” Koerth-Baker, Maggie (2019, January 10) The Era Of Easy Recycling May Be Coming To An End. Retrieved from https://fivethirtyeight.com/features/the-era-of-easy-recycling-may-be-coming-to-an-end/

“Investing in glass clean-up systems at MRFs offers higher value commodities and significant savings for the entire system.” 2017 Glass Study, Closed Loop Foundation
Why not a minimum content?

• 2 states* have a minimum content by statute.
  • Oregon (50%)
  • California (35%)
*Deposit states with glass processing

• 40 non-deposit states?
  • Lack of supply of good quality, non-contaminated glass can’t satisfy the need to meet minimums.
Where do we go from here?

We can no longer export trash. How do we build up the domestic market?

• Bye-bye single stream recycling
  • California AB 815 (municipal “safe harbor to switch” bill)

• MRF of the Future! (stop me if you’ve heard this one)
  • Return on investment in 5 years or less
  • More nimble to handle new packaging stream
  • Small footprint

• Back to the basics (glass, paper, aluminum and steel only?)