

On A Mission To Reduce Food Waste

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The Consumer Federation Conference, April 15, 2013

Phil Lempert, who is kind of a “rock star journalist” in the food industry and also called “The Supermarket Guru”, does a projection at the end of each year on the Top Ten Food Trends for The New Year – in December 2012 he identified Food Waste as the top food trend for 2013!

I am happy to inform you that the Food Waste Reduction Alliance – a collaborative effort to address food waste – which is lead by 3 major food industry associations -- Food Marketing Institute, Grocery Manufacturers and National Restaurant Association was even ahead of his crystal ball -- we launched our alliance in June of 2011 recognizing this as a critical issue that we wanted to be proactive on.

We are excited to tell you about our story – so – **I’ll share who we are, our goals, our work so far including a few best practices and examples, and our plans moving forward.**

First, let me say that I am wearing two hats this morning, one – I represent FMI, the retail food industry, where 30 member executives and I lead our sustainability efforts — from sustainable sourcing to reducing food waste. My other hat, which I’ll be wearing for this panel is as a partner in the Food Waste Reduction Alliance – I co-lead with my colleagues from GMA – Meghan Stasz and NRA – Laura Abshire, who are here in the room and will participate in the Q and A session.

The FWRA leadership includes 30 of our member companies – from Wegmans and Kroger, to General Mills and Conagra, and From McDonald’s to Darden, and our goals are essentially summed up in three words you’ve been hearing for many years. **Reduce. Reuse. Recycle.**

Let me explain each in terms of our food waste goals .

Reduce – We refer to food losses within our operations as shrink, and this food that never becomes available for sale represents a big opportunity for us – we want to reduce shrink so it never becomes food waste in the first place!

Reuse – divert as much unsaleable food as possible from landfills by RE-USING safe and nutritious food that would have been wasted and instead – send it to our partnering Food Banks.

And third, Recycle – divert unavoidable food waste away from landfills and move it to productive use – see the illustration on Jean’s EPA food waste hierarchy - animal feed, compost or food to energy .

And to accomplish these three goals, we first identified the scope of work to be limited “within our own four walls”. We know that food losses occurring on the farm are significant and food thrown away by consumers represents the largest source of food waste in the U.S., however, we decided we must first focus on what we could immediately control within our own operations.

We divided our work into three key areas:

First = Assessment – When we organized the Alliance, we realized that there was a great deal of disparity between research information about the generation of food waste from farm to fork. Our first effort was to have BSR do a deep analysis of all existing data including more than 20 reports to identify the current landscape as accurately as possible. From this starting point, we then conducted our first benchmark of grocery stores and food manufacturers. Restaurants came on later so were not included in this first assessment but will be included in future assessments. We are launching our 2012 assessment this spring and expect over time our experience and discipline will give us numbers that we are increasingly confident in.

Some surprising findings from our research are

Even though retailers and suppliers have dramatically different operations and types of food waste – the pounds and amounts donated to food banks are very similar as well as the amounts disposed to landfill. Interestingly, manufacturers send a much higher proportion of donated food to animal feed, and retailers/wholesalers send more to composting. What we did learn, is that moving the food waste out of landfill represents a very big savings – well into the \$100’s of thousands of dollars for most of our companies that divert food waste from landfill to higher use.

Second = Identify and Share Best Practices and Emerging Solutions

The Alliance members have been sharing best practices and emerging solutions with each other and the industry for the past year, and are in the process of developing a Toolkit for the industry with replicable examples, plus guidelines and checklists. This will be presented at the Global Sustainability Summit this August in Seattle, and will be free on the Alliance’s and Associations websites.

Let me give you two great examples, and I know both Meghan and Laura have examples to share during the q and a.

Innovation and technology are dramatically helping to solve the problem of food waste.

1. The Kroger Company is converting food waste to renewable energy in their Compton California distribution center with a sophisticated system of backhauling unsold organic material to the DC, combining with wastewater from the on site food manufacturing plant, and putting it into a two million gallon anaerobic digestion tank, which converts it to electricity and soil amendments for farmland.
2. Many of you have shopped at the beautiful new Wegman's stores in this area. They are collecting food waste at their Rochester area stores, sending to a company who creates compost which is transferred to the Wegman's organic farm. Crops produced by the farm are shipped to stores and the process repeats itself.

Third = Identify and Support Efficient Policy

Within the work surveying the industry and the best practices, the alliance is identifying the primary challenges to companies -- and working to remove those barriers by addressing corporate and public policies. Some of the major barriers include:

1. Liability Concerns. Even though we have Good Samaritan Laws, some companies err on the side of caution with "dump and destroy" policies. (We can provide examples in the Q and A)
2. Insufficient recycling options. We have a big country, and infrastructure is unique in every state -- some places have limited options for anything except landfill.
3. Confusion over use by/sell by dates within industry and in the public -- in particular - consumers misunderstanding of dating results in good food being discarded.

One example of how this is being addressed in England comes from Sainsbury -- they made the decision to put sell by dates in code on their private label so it is only seen by the company -- and use by dates in large consumer friendly font with consumer messaging on the package and in marketing to help them understand storage and shelf life options. It is working so well other retailers are emulating it, and now major brands are considering the same ideas.

We have our work cut out for us, and we can't do it alone. We're grateful for our partners and the momentum we have being in front of this issue together.

Let me take a moment to acknowledge my panel mates here.

- Kai at BSR has served as a thought leader and assisted us in the customized research on two studies to identify the landscape, benchmark and determine our goals, opportunities and barriers.
- Jean at EPA has provided ongoing education for our alliance – by connecting us to key staff and resources, and since then many of our members are now participating with EPA's Waste Wise Program.
- Carrie and the Feeding America team are long time partners – and in fact food retailers have increased donation of healthy edible food from 100 million pounds in 2004 to over 800 million pounds in 2012 through store donation programs.
- And thanks to Dana's "global vision" - several of us spent 3 days in London together meeting with companies, government, NGO's and sister association experts in food waste solutions to "jump the learning gap" and bring back best practices for the US. As part of that trip, Dana charted 24 BMP's for the FWRA's ongoing work and serves as an advisor to our Best Practices Committee.

Conclusion: It's clear that proactively addressing food waste is an urgent challenge, collaboration is an imperative and the enthusiasm for finding solutions from farm to fork is moving like a tidal wave.

As the momentum increases, we see great opportunities. We invite you to join us as we expand efforts into the supply chain and into consumer education. Together we can work toward policies that help with infrastructure and remove barriers – together we can create common, consistent consumer communications, similar to the successful Love Food Hate Waste program that started in the UK, and is reported to have helped reduce consumer food waste by almost 20% in five years. Our commitment is to be your partners from the farm to the fork in this important work together. Thank You.