

PACKAGING INDUSTRY

The global packaging market is valued at an estimated \$500 billion. Consumer packaging involves a wide variety of materials such as plastic, glass, paper and board, metal and other material types. According to reports from the World Packaging Organization, paper and board packaging has accounted for the largest share of global consumer packaging at approximately 38 percent of the market, followed by plastics with a 30 percent share (18 percent rigid plastics and 12 percent flexible plastics), metal with an 18 percent share, glass with a 7 percent share and other types with a 6 percent share.

The manufacturing and disposal of consumer packing materials consumes valuable natural resources. As the world population increases and more products are distributed on a global basis, companies around the world must find ways to balance the demand for proper packaging materials against the need to conserve natural resources and protect the environment. Environmental sustainability in the packaging industry is a critical issue. Organizations around the world are looking for newer and better ways to reduce waste by reusing, renewing, reducing and recycling packaging materials.

Environmental Issues Impacting the Industry

The packaging of consumer products and shipping packing are under increasing scrutiny as regulatory bodies in the United States and around the globe seek to control packaging, reduce waste and encourage innovation. Governmental bodies are placing substantial pressure on the industry to develop and implement new methods and technologies that promote and maintain product safety while minimizing the impact on the environment.

The Rigid Plastic Packaging Container (RPPC) Program in California is designed to reduce the amount of plastic waste disposed in landfills while increasing the use of recycled post-consumer plastic. The RPPC Act requires manufacturers that sell products in rigid plastic packaging to meet certain statutory compliance options. Product manufacturers who fail to comply with the Act's requirements can be assessed fines and penalties under the RPPC program.

In addition to regulations aimed at reducing waste, companies in the industry must comply with multiple federal and state packaging and labeling laws. For example, the Fair Packaging and Labeling Act (FPLA) administered by the Federal Trade Commission sets forth specific labeling requirements for "consumer commodities" that are consumed or expended in households and the Federal Food, Drug and Cosmetic Act administered by the FDA establishes detailed labeling requirements for food, beverages, drugs and cosmetic products. Additionally, many states have developed specific labeling and warning requirements for products such as California's Proposition 65 which requires companies to include clear and reasonable warning labels on consumer products that contain certain "listed substances" known to cause cancer or reproductive toxicity.

In addition to meeting statutory requirements, companies can be targeted by non-government organizations (NGOs) to use recycled materials and/or Forest Stewardship Council (FSC) certified paper in the packaging materials, which is not mandated by any government agency. Developing procurement procedures to ensure FSC-certified or recycled material in packaging can add brand value and prevent significant losses and costs from attacks by NGOs. Our lawyers have assisted Fortune 100 companies to respond to NGO attacks and prepare procurement plans to ensure materials are FSC certified and/or from recycled material.

Providing Strategic Advice to the Packaging Industry

Bick Law delivers strategic guidance to industry clients facing complex environmental issues and challenges. Each California environmental regulatory lawyer at our firm has extensive experience helping businesses comply with requirements in California and other states across the nation.

Our firm recognizes that government enforcement activities and litigation can be highly disruptive for companies in the industry. We work with clients to develop environmental plans that identify and address potential issues before they turn into costly legal problems and disputes. When a matter cannot be effectively resolved outside of the litigation process, our attorneys defend companies against government enforcement actions and other private actions in state and federal court.