



## SUSTAINABILITY: A PRIMER FOR WHOLESALERS

### EXTENDED PRODUCER RESPONSIBILITY (EPR)

**Extended producer responsibility (EPR) is a practice and a policy approach in which producers take responsibility for management of the disposal of products they produce.** EPR policies attempt to change how a product is produced—the “cradle”—to affect how a product may be disposed—the “grave.” EPR policies can also affect how products are recycled or reused.

EPR programs shift the economic burden of the cost of disposal from the government or consumer to the producer of the product and require producers to recycle a specified percentage of the collected product by weight or volume. Producers may physically collect the products at the end of their life or use a third-party organization that collects and processes material.

By making the producer responsible for the cost of recovery and recycling or disposal, EPR theoretically encourages producers to design products that can be easily recycled or reused. A cleaner environment benefits all, but thought must be given to how effective these programs will be to improve recycling outcomes, and the economic impact these policies will have on wholesalers.



### WHAT TO LOOK FOR IN AN EPR BILL

- Are distributors included in the definition of producer?
- Is the bill prescriptive or does it allow producers to design and control the EPR program within an achievable goal and timeframe?
- Does the bill give producers latitude to pursue end of life solutions beyond recycling (compostable plastics, waste to energy/fuel)?
- Will the EPR program’s cost negatively impact the state economy or job creation?

### THE OREGON MODEL

The state of Oregon’s [bottle bill program](#) began in 1971 and has grown to include over 270 distributor members within the [Oregon Beverage Recycling Cooperative \(OBRC\)](#) – which oversees all aspects of the state’s bottle deposit system. The benefit of industry members running the system is that they work together to develop creative approaches on how to streamline the model and make it more efficient. In doing so, they have increased access to recycling services for consumers, maintained a statewide registry of brands and beverages included in the system, and currently have one of the lowest per container recycling costs, with one of the highest container return rates (80-90%), in the world. The overall success of OBRC has garnered widespread, bipartisan support statewide, and the system is popular with consumers.

### POST-CONSUMER RECYCLED CONTENT

**Post-consumer recycling legislation encourages producers to be cognizant of a product’s recyclability and utilize a specified minimum amount of recycled plastic in their products.** Legislation may require that wholesalers certify that their products comply with minimums. Wholesalers should consider the impact of legislation on packaging materials, as well any fees charged to distributors to offset administrative costs of a state’s recycling program.

### BOTTLE DEPOSIT PROGRAMS

As seen in states such as Oregon, California, and Michigan, **bottle deposit programs seek to increase recycling rates through the financial incentive of collecting a refundable deposit on beverage containers.** Within these programs, wholesalers refund the deposit to retailers and collect containers intended for recycling at retail locations.