



FORMRITE
GROUP

FORMRITE AUSTRALIA

**AUSTRALIAN PACKAGING COVENANT
ACTION PLAN**

July 2010- June 2015

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Company Background

The FormRite Group is an Australian owned business of over 50 years that provides a complete service for customers in all Packaging and Point of Sale requirements. It operates a 6000m² facility at Brookvale in Sydney, which is equipped with the most up to date manufacturing technology and design capability. In house manufacture at Brookvale specialises in plastics and the company subcontracts manufacture in other materials at other sites (outside the scope of this document).

The company's products include:-

- Display:- permanent and temporary displays, counter and floor displays, signage, printing, illuminated displays, showcases
- Packaging:- food trays, blister packs, injection moulding, PVC boxes, transportation trays
- Medical:- pharmaceutical dispensers, pill blisters, laboratory trays
- Industrial:- transport trays, component housings, custom trays

Materials used include acrylic, polypropylene, PVC, biodegradable plastics, polystyrene, ABS, PET, polycarbonate, polyethylene, cardboard, metal, timber.

Additional capabilities include CAD/CAM design, in-house tool manufacture, screen and pad printing and three axis routing.

Other stakeholders assisting in this Action Plan.

A number of organisations are involved in implementing the various aspects of this action plan. The paragraphs below outline who these players are and their relationship to FormRite.

FormRite is a member of the Plastics and Chemicals Industry Association (PACIA). PACIA manages plastics ID codes, conducts surveys on plastics recycling rates, develops codes of practice for degradable plastics, maintains a resource map for available materials and products, assists members with Covenant Action Plans, assists working groups with plastics litter reduction programs etc.

FormRite's Customers and suppliers– Improvement of recycling rates for the large number of customers in the supply chain with a wide variety of applications is an ongoing challenge for this company. FormRite will continue to contribute by means of negotiating product stewardship arrangements and agreements with customers and suppliers to reduce packaging and increase recycling. The Australian Packaging Covenant, the benefits of membership and FormRite's commitment to it will be promoted to customers.

FormRite products include packaging, point-of-sale and medical packaging products and to the public mostly via distributors and retailers.. Finished products are packaged in cartons or shrink wrapped and strapped. Approximate sales volumes are as follows:

Australia	99%
Global	1%
Number of Employees	43

Raw materials are received from mostly overseas suppliers. Material is received palletised and strapped.

Company and Contact Details

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Previous Environmental Achievements

FormRite's previous environmental achievements focussed on good environmental practice and recycling of packaging. They have had the effect of improving business performance whilst reducing our products' impact on the environment. The FormRite Group prides itself on being an environmentally responsible global citizen. All packaging produced is food grade and therefore non-toxic. Much of the packaging is recyclable and recyclable materials are preferred to be used.

Previous Achievements:-

Waste Minimisation and Recycling

- All plastic wastes types, including skeletal waste, rejects (by products) and plastic wrap are collected and recycled through agreement with a recyclables collection contractor.
- Plastic types are mainly separated at source; environmentally beneficial and cost effective.
- Where plastic separation is not feasible, (e.g. small amounts of mixed plastics from raw material wrap etc) a mixed plastic recycle bin system is in use.
- Reduction of waste generated in manufacture by tighter control on automatic machines.
- Increased the range of forming frames and improved material yield.
- Close tracking of material usage on a job-by-job basis with measurable KPI.
- Waste bin checking and staff education ensures effective recycling and waste minimisation.
- Negotiation with select customers for the return of obsolete, redundant product for inclusion in FormRite plastic recycling program.
- Provision of recycling pamphlets to customers and end users.
- Biodegradable 'Plantic' plastic in production; production waste recycled back to supplier.
- 'Plantic' has environmentally sustainable organic source and degrades completely in water.
- Scrap is provided to scrap recyclers supporting the recycling market.

Design

- Appropriate tooling design and material gauge selection to reduce raw material usage while ensuring product efficacy (performance analysed on samples of all production).
- Design specifications evaluated for all customer new product design requests.
- Successful development of expertise in thermoforming APET.

Education and Research

- Educating customers on environmental benefits of use of APET compared to PVC. APET offered as a packaging material where feasible. APET use has increased greatly.
- Investigated distribution system economics; e.g. transport is now contracted out. This is more efficient and cheaper.
- Promoting commitment to the Packaging Covenant to our customers.
- Recycling of packaging by customers is encouraged by the use of recycled logos on products.
- Working with customers to minimise the total use of cartons through carton re-use and recycling. After the period of effective use cartons are collected and recycled by third party contractors.

Executive Summary and Commitment

This Action Plan is adopted by the FormRite Group in accordance with its obligation as a signatory to the Australian Packaging Covenant. It is the FormRite Group's first Action Plan under the new 2010 Australian Packaging Covenant arrangements. The new Covenant came into force in July 2010, under which signatories are required to produce an Action Plan providing information on current status and proposing targets. This plan comprises this undertaking and outlines the FormRite Group's, previous achievements and plan for 2010 - 2015. This plan continues to develop and implement programs informed by [The Waste Hierarchy](#), the overall strategy for waste management in Australia and commenced under the previous National Packaging Covenant which FormRite joined in 2006.

This Plan identifies issues related to product stewardship, packaging design and recycling. Product stewardship means that responsibility for managing the environmental impacts of packaging is shared throughout the supply chain (raw material suppliers, packaging manufacturers, suppliers, brand owners, retailers and consumers). Through these the company will plan to optimise and reduce our use and increase recycling of packaging, taking into account the need to maintain at all times, for the benefit of our employees, our customers, local community and all those involved in handling our products, high standards of safety, health and protection of the environment.

Senior management of the FormRite Group will oversee the responsibilities under the Australian Packaging Covenant and ensure that relevant resources are available to achieve successful outcomes. Performance related to these commitments will be reviewed regularly and decisions and actions will be internally communicated.

The following Signatory Planning and Reporting Obligations table (Table A) outlines the Performance Goals, Strategies and KPI's against which the FormRite Group has planned, followed by the Action Plan table, which shows the FormRite Group's initial status, evidence, opportunities and action proposed.

Annual reports will be provided by the due date each year showing progress against these commitments.

Greg Jung, General Manager

30 March 2011

EXECUTIVE SIGNATURE

DATE

The Waste Hierarchy

Materials should be conserved through more efficient use, the avoidance of unnecessary consumption and the encouragement of re-use, recycling and energy recovery. The waste hierarchy states that wastes should be managed in accordance with the following order of preference:

1. Avoidance (source reduction)
2. Re-use
3. Recycling
4. Energy Recovery
5. Disposal

Signatory Planning and Reporting Obligations (Table A)

Performance Goal	Strategy	KPI
1. Design - Optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety.	Packaging designed to avoid or minimise the use of materials and other resources, optimise recyclability and recycled content and reduce litter impacts.	KPI 1 - Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines for design or procurement of packaging
2. Recycling - The efficient collection and recycling of packaging	A contribution to improved recovery of packaging from households and away-from-home sources.	KPI 3 - Proportion of signatories with on-site recovery systems for recycling of used packaging
	Increased secondary markets for recovered packaging materials.	KPI 4 - Proportion of signatories with a policy to buy products made from recycled packaging.
3. Product Stewardship - a demonstrated commitment to product stewardship by the supply chain and other signatories	Signatories in the supply chain working with others to improve design and recycling of packaging.	KPI 6 - Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging.
	Signatories in the supply chain working with others to improve design and recycling of packaging.	KPI 7 - Proportion of signatories demonstrating other product stewardship outcomes.
	Reduction in litter.	KPI 8 - Reduction in the number of packaging items in the litter stream.

Ref Nr.	KPI	Key Questions	Category	Company Compliance	Justification/Evidence	Opportunities / Risks / Barriers -> Action Proposed
1.00	KPI 1 - Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines for design or procurement of packaging	Does the Action Plan indicate how the Sustainable Packaging Guidelines will be used for the design or procurement of all new packaging and also show a timetable for reviewing existing packaging?	Plastic Packaging	No	At this initial stage the company has prepared the Action Plan. The company is aware that the SPG will impact on Sales and Design area of the company.	Requirements of the Australian Packaging Covenant with regard the Sustainable Packaging Guidelines are managed via the IMS Action Plan Annual Report database. This database has the SPG requirements scheduled for systematic review for existing packaging over the five years of the Action Plan period 2010-2015. All key questions are scheduled for review over equal time periods and APC team participants can schedule delay over items that may take extra time. The database contains all necessary information on Performance Goals, KPI's Strategies and Key questions. Responsibility for actions can be assigned and management authorisation for closure of actions. The database has one click preparation of Action Plans and Annual Reports and 'Overdue' and 'Overdue by Responsibility' reports to control the APC team meeting management process.
2.01	KPI 3 - Proportion of signatories with on-site recovery systems for recycling of used packaging	Are used packaging recovery systems in place? If not, timetable for establishment. Include information on recovery system established, which packaging materials collected, or progress achieved during the reporting period.	Plastic Packaging	Yes	The following plastic types already have recovery systems: PVC, styrene Apet, polycarbonate, polypropylene, 'Plantic' (plant based biodegradable plastic), cardboard. The company also recycles materials used in the production process, e.g. Steel and aluminium	The company will continue to recover and recycle these materials. It will train staff to separate waste materials and keep waste material streams clean and suitable for 'highest purpose' reuse (e.g. Materials recycled for same use). These measures are not just environmentally better, they also very cost effective for the company.
2.02	KPI 4 - Proportion of signatories with a policy to buy products made from recycled packaging.	Is there an existing Buy Recycled policy or procedure. If not, outline timetable for establishment or progress achieved during the reporting period.	Plastic Packaging	No	The company actively tries to purchase recycled content raw materials but is greatly constrained by 1) Customer specification 2) Effectiveness of product that contains recycled content. A plastics suppliers has ceased offering to buy back waste production materials for inclusion into new raw materials because of ongoing quality problems and rejection by FormRite of the raw material. This material is now sold to a waste plastics dealer. An Apet product with recycled content is available if it is accepted by customers. Cardboard purchased is always purchased in a recycled content grade.	There is an opportunity for the company to more strongly promote to potential customers the availability of products with recycled content. The recycled content product should be suitable for the purpose, and this is not always possible. For example customers from the medical area will not accepted recycled content plastics. Sales staff will be thoroughly trained to know the product range and the uses and qualities of the different plastic materials. Sales staff should then be able to say that there are certain products available, some with recycled content at certain prices. There is a need for greater collaboration between Sales, Design and production areas. The necessary elements of this initiative will be used to guide staff and will be incorporated in a new Company Environmental Policy which will include this element, other elements from other items in this Action Plan and useful elements of the previous 2005-2010 FormRite Environmental Code of Practice for Packaging.
3.01	KPI 6 - Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging.	A) Are there any formal processes to improve packaging design and increase recycling of used packaging?	Plastic Packaging	No	There are no formal processes to improve packaging design. Recycling of waste packaging has been implemented for many years and is ingrained into the culture of the organisation.	The IMS Action Plan Annual Report database will be used to progressively review and work through all existing packaging to meet the requirements of the SPG. Any new major design changes, e.g. Completely new plastic type will use a form which includes all the SPG key questions.

Ref Nr.	KPI	Key Questions	Category	Company Compliance	Justification/Evidence	Opportunities / Risks / Barriers -> Action Proposed
3.01	KPI 6 - Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging.	B) Is there a documented policy to review all packaging against the Sustainable Packaging Guidelines (KPI 1)?	Plastic Packaging	No	No such policy exists.	This will be included in new Company Environmental Policy. The SPG will be used through the 5 year review of existing packaging and the 'Sustainable Packaging Guidelines form' to be used on any new packaging type.
3.01	KPI 6 - Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging.	C) Are there any supply contracts that require take-back and recycling of packaging?	Plastic Packaging	No	Some arrangements exist, however not formalised. These include collection and return of cardboard by longstanding customers.	The company will look at existing arrangements and will formalise those arrangements that have ongoing importance. This issue will be included in new Company Environmental Policy.
3.01	KPI 6 - Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging.	D) Are there any waste management contracts requiring collecting and recycling of packaging?	Plastic Packaging	Yes	Contracts or informal agreements exist with the following waste/recycling companies EQ Plastics (styrene), ADL metal (steel, all plastics) Warehouse Aluminium (aluminium) Plantic (Biodegradeable plastic) Cozens (cardboard)	The company will look at existing arrangements and will formalise those arrangements that have ongoing importance. This issue will be included in new Company Environmental Policy.
3.02	KPI 7 - Proportion of signatories demonstrating other product stewardship outcomes.	Are there any other product stewardship actions to be taken to support the Covenant's objective and goals?	Plastic Packaging	No	There are some informal arrangements for re-use of cardboard packaging prior to recycling, some of these in-house, some involving customers and suppliers.	The company will look at existing arrangements for re-use of packaging e.g. cardboard will formalise those arrangements that have ongoing importance. This issue will be included in new Company Environmental Policy.
3.03	KPI 8 - Reduction in the number of packaging items in the litter stream.	Are there any demonstrable actions to reduce litter?	Plastic Packaging	Yes	The recycling logo is present on the great majority of products. The company is also promoting its product range and special features, such as biodegradeable products.	The company will continue to routinely place recycling logos on products, and non use of recycling logo will not be an option provided to customers.