



Pechiney Plastic Packaging

Pechiney Plastic Packaging is a packaging manufacturer for food, beverages, health care and specialty products that are distributed globally. The company employs 108 people in its San Leandro facility. Their environmental policy respects and protects the community as well as the health and safety of its employees.

Facts-at-a-Glance

Challenges

- A desire to adopt a lean manufacturing system
- Limited capital to fund major projects
- Tons of valuable plastic film being wasted
- Contamination in plastic film recycling

Solutions

- Research & cost-benefit analysis
- \$75,000 Business Waste Prevention Fund Award
- \$3,000 Mini-grant
- New equipment purchase with Award funds
- Educational campaign and plant signage

Benefits

- Over \$177,000 in savings (\$165,000 for waste prevention; \$12,000 for garbage bill reduction)
- \$78,000 in environmental grants
- Boosted waste diversion rate from 58% to 90%
- Turned waste into valuable raw material for other products
- Increased employee participation and understanding of environmental efforts

The Story

The conversation began at a Chamber of Commerce networking event. Chuck Pershing, Pechiney Continuous Improvement Manager and Rory Bakke, Senior Manager, StopWaste Partnership brainstormed about environmental performance. Pechiney wasn't having problems. They were following a trend started by Toyota ... lean manufacturing systems, where only elements adding to customer value are kept. Waste, unnecessary labor, extra materials and errors are eliminated. Before long, a natural partnership between Pechiney and StopWaste formed based on common goals.

The Challenge

Improve operating efficiency of Pechiney's manufacturing process, and cardboard and plastic recycling programs—with little capital to fund environmental projects.

Pechiney was already committed to building a lean manufacturing system when they contacted StopWaste for assistance. They needed help with reducing waste, materials and labor. In addition, a lot of valuable plastic film was being thrown away, which could be turned into raw material for other products. Pechiney's plastic waste was getting contaminated, and their recycling vendor was rejecting it as trash. Not only was the company charged extra for garbage, it was unable to sell their plastic as recyclable!

“The key to our success was a commitment to reduce the amount of trash we send to landfill—and to reduce costs.”

CHUCK PERSHING
Pechiney Continuous Improvement Manager





Solutions

Increase the efficiency of Pechiney's manufacturing process by reducing plastic film purchases and eliminating unnecessary waste.

"Businesses need to reduce waste to lower costs. As a responsible neighbor in the community, we must protect our environment for future generations."

GLENN STEGEMAN
Pechiney DuctGuard Customer Service
Accounts Manager

"My advice to other businesses that have not implemented waste reduction programs is 'you can't afford not to.'"

CHUCK PERSHING
Pechiney Continuous Improvement Manager

Cardboard Recycling

After analyzing the shortfalls of Pechiney's cardboard recycling program, StopWaste provided a mini-grant to help Pechiney begin streamlining their cardboard recycling operation. The solution: improve the method by which Pechiney collected and transported cardboard. By purchasing new equipment (self dumping hoppers), cardboard went directly to a baler; thus eliminating the manual process of loading and unloading cardboard onto pallets.

Plastic Recycling

StopWaste researched the situation, and learned that employees were dumping contaminants into plastic recycling boxes because garbage bins were inconveniently located. Adding more garbage bins was an easy fix. But StopWaste also implemented an educational campaign that included plant signage and employee informational meetings. As a result, plastic contamination was significantly reduced.

Waste Prevention

StopWaste experts also assessed Pechiney's operation, and determined that significant amounts of plastic waste were being thrown away. Pechiney knew of equipment (a repelletizer) that could reincorporate the waste into their production system. StopWaste provided a cost-benefit analysis, and the outcome was favorable. Unfortunately, Pechiney had limited capital available for funding. So StopWaste provided a \$75,000 grant to initiate the waste prevention program. Today, Pechiney uses their plastic film more efficiently, reducing consumption by 150 tons a year.

StopWaste Incentives

Pechiney takes advantage of incentive funding for new tonnage from streamlining their recycling efforts (plastics, cardboard and mixed paper recycling). For every new ton of recycling over their baseline, Pechiney receives \$50 from StopWaste. The company uses this incentive money to buy gift certificates for employees—encouraging continued environmental participation and outstanding performance.



The StopWaste Partnership

StopWaste is a free, technical assistance service dedicated to improving the environmental performance and reducing costs of Alameda County businesses and public agencies. The program provides expert support and funding to prevent waste, conserve water and energy, and use all resources more efficiently.

The bottom line:

- A garbage bill reduction of \$12,000 a year
- Incentive funding of \$50 per ton for every new ton of recycling above Pechiney's baseline
- \$165,000 in reduced plastic film purchases
- 150 tons of reduced plastic use



Visit www.stopwaste.org/partnership or call 1-877-STOPWASTE.