



## **A Solution to the Full Wrap Shrink Recyclability Problem? Not So Fast**

*Submitted by Rick Moore, Executive Director, National Association for PET Container Resources (NAPCOR)*

If you've been following the debate around full wrap shrink labels and PET container recyclability, you might have heard declarations of victory in the wake of recent trials of new mechanical delabeling equipment. Some have claimed that the equipment pays for itself in about a year, and that all label manufacturers need to do is apply a perforated label. Problem solved? If only it were that simple. As a representative of all the players in the PET value chain, NAPCOR seeks solutions that work across the board. On this issue, we are not there yet.

Mechanical delabeling is an expensive and complex solution. There are, of course, equipment acquisition, installation and ongoing maintenance costs. But the delabeler is not an in-line solution, so it adds a capital expense for conveyors, sorters, etc., to divert full wrap shrink bottles from the main flow, as well as labor costs to handle the bottles multiple times before value can be extracted.

NAPCOR has been working to overcome barriers to recycling for the nearly three decades we've been in existence. We understand that full wrap shrink labels are a great marketing tool. They sell more PET bottles, which means more PET bottles to recycle, which is good for reclaimers and the PET industry. But, the current labels add significant costs to reclaimers, and the recycled PET supply chain.

The Association of Postconsumer Plastic Recyclers (APR) recently studied the impact of full wrap shrink labeled bottles on reclaimer costs and the findings were staggering. Handling bottles with full wrap shrink labels adds \$.02-\$.04 per pound of material—not just the pounds of full wrap shrink bottles, but ALL PET. Full wrap shrink-labeled containers make up about 5 percent of the postconsumer PET bottle stream, but their share is growing, and so will the costs of managing them.

This exacerbates an already bad situation—it costs about twice as much to prepare recycled PET for market today than it did just a decade ago. Since that time, reclaimers have been fighting ever declining bale quality. Packaging “innovations” that add costs and diminish recyclability just add insult to injury. With the introduction of packaging innovations comes a responsibility for fairly allocating cost burdens along the supply chain. NAPCOR's reclaimer members have absorbed tens of millions of dollars in costs annually, while label manufacturers have enjoyed increased sales. Clearly, this is out of balance.

Focus on expensive mechanical delabeling equipment detracts attention from the solutions that make more sense—labels that are designed for recycling. Designed for recycling means they allow the bottles to be optically sorted, come off easily, float in the wash process, don't bleed inks into the wash water, and have a market as a secondary material. The good news is these already exist. These solutions work from a marketing perspective and don't add significant costs at end-of-life. They represent collaborative approaches that consider impacts across the entire value chain.

Full wrap shrink labels are an innovative marketing tool. That's important. The PET reclaiming industry represents more than \$2 billion in investment to take materials out of the waste stream and return

them to commerce. That's important too. NAPCOR intends to keep working on this issue until we find a solution that considers impacts on all of the players in the supply chain. Let's not declare a premature victory, there is still work to be done.

*Founded in 1987, the **National Association for PET Container Resources (NAPCOR)** is the trade association for the PET plastic packaging industry in the United States and Canada. NAPCOR is dedicated to promoting the PET package; to overcoming hurdles to the successful recycling of PET; and to communicating the attributes of the PET container as a sustainable package.*

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