

PACKAGING SUMMIT CONFERENCE

The logo for the Packaging Summit Conference features a yellow square with a green stylized roof or mountain shape inside it, positioned to the right of the text.

James W. Peters, CPP
Director of Education
Institute of Packaging Professionals

PRESENTED BY:





WAL-MART'S STRATEGY... on global packaging reduction

Paul Lewellen, Senior Director Supplier
Development International Merchandising, Wal-
Mart

PRESENTED BY:



Wal-Mart's Global Sustainability Strategy

Paul Lewellen

**Senior Director Merchandise Strategy / Imports
Wal-Mart International**

WAL★MART®

Save money. Live better.™

Wal-Mart International –

Mar 31, 2008

Canada - 305
268 - Wal-Mart
6 - Sam's Club
31 - Supercenters

United Kingdom - 353
258 - Superstores
29 - Supercenters
11 - George
13 - Asda Living
42 - Asda Small Town

China - 104
99 - Supercenters
3 - Sam's Club
2 - Neighborhood Market

China Trust-Mart
101 - Hypermarket

Mexico - 1026
137 - Supercenters
83 - Sam's Club
317 - Bodega
64 - Superama
76 - Suburbia
349 - VIPS

Puerto Rico - 54
8 - Wal-Mart
6 - Supercenters
9 - Sam's Club
31 - Amigo

Japan - 392

Central America - 459
150 - Costa Rica
145 - Guatemala
47 - Honduras
46 - Nicaragua
71 - El Salvador

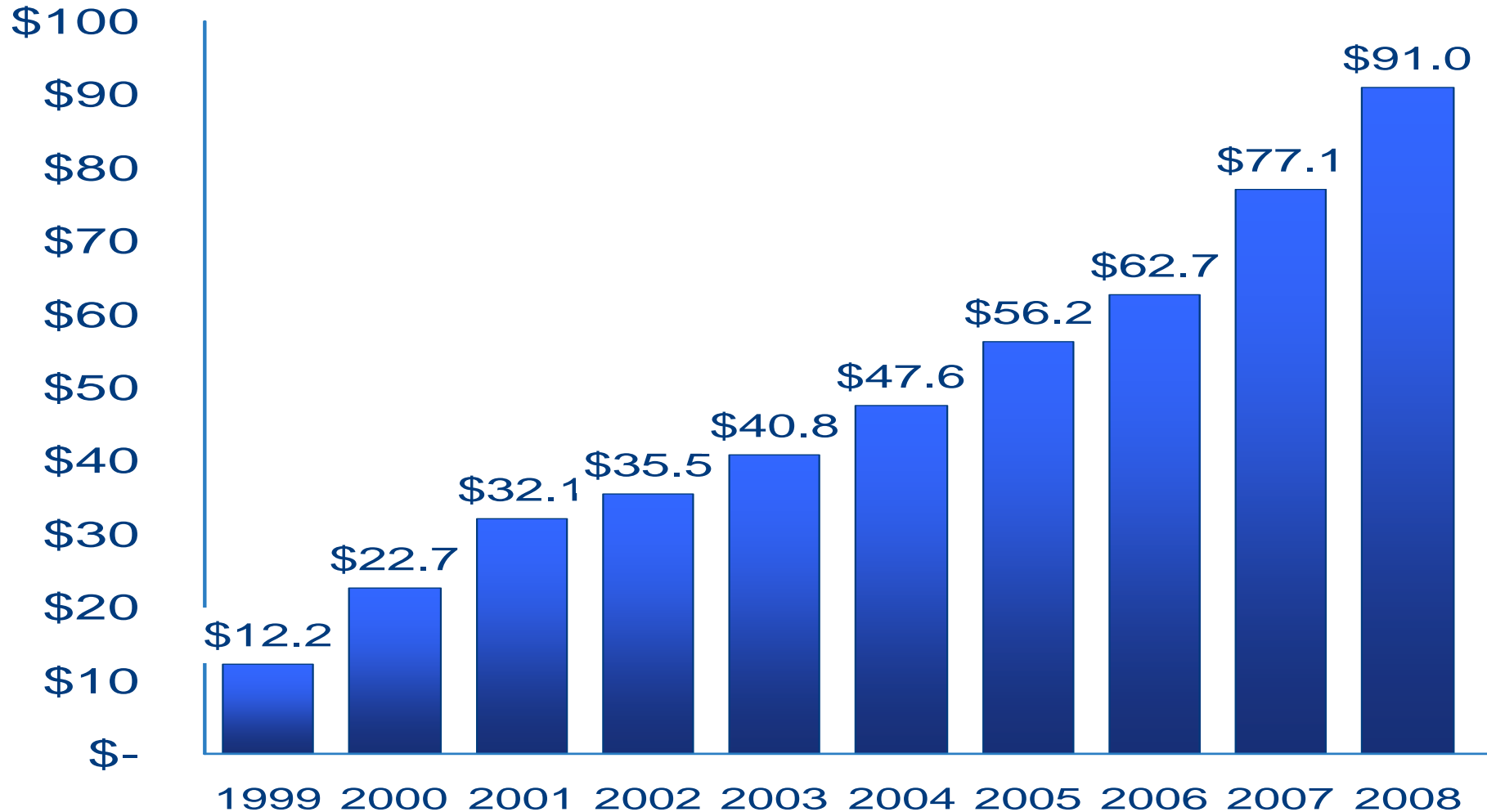
Brazil - 315
29 - Supercenters
21 - Sam's Club
21 - Todo Dia
99 - Northeast
145 - South

Argentina - 23
21 - Supercenters
2 - Changomas

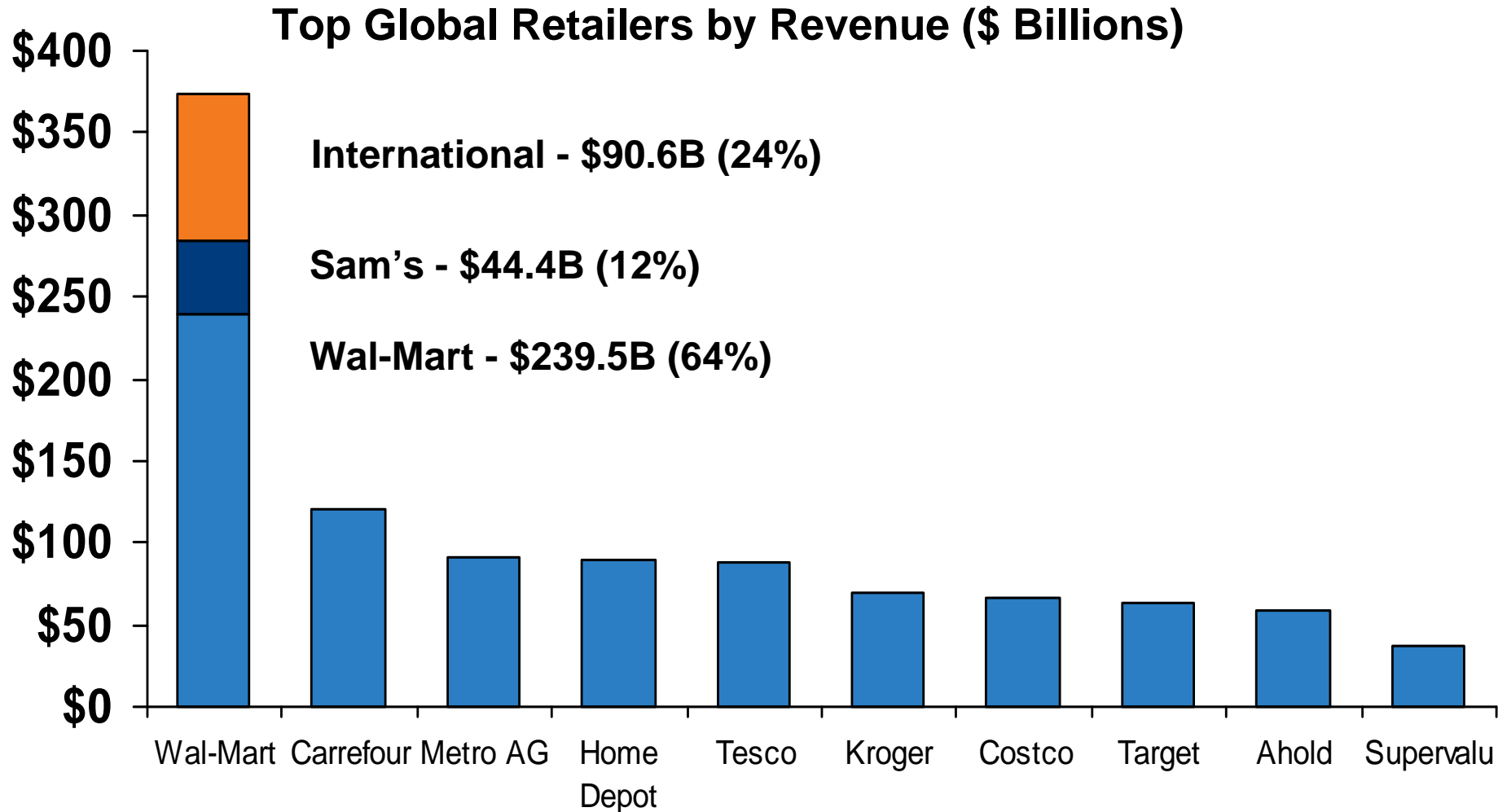
Total International - 3132



Wal-Mart International Growth



Size within industry





Lunch Meat

Cheese

Corporate Sustainability
Supplier Excellence
Packaging Scorecard

2005: "21st Century Leadership"



Be supplied 100% by renewable energy



Create zero waste



Sell products that sustain our resources and environment

Today's Sustainable Value Networks



1. Greenhouse Gas
2. Global Logistics
3. Sustainable Buildings
4. Alternative Fuels
5. Waste
6. Packaging
7. Textiles
8. Electronics
9. Agriculture and Seafood
10. Jewelry
11. Chemicals
12. Wood and Paper
13. China

Covalence Ethical Reputation Ranking

Q1 2008

Best Ethical/Quote Progress

- Wal-Mart
- Toyota
- Marks & Spencer
- GM
- Intel
- Nokia
- IBM
- Dell
- PepsiCo
- Bank of America

Best Reported Performance

- Wal-Mart
- Toyota
- GM
- Marks & Spencer
- IBM
- Tesco PLC
- Nokia
- Coca-Cola Co
- Bank of America
- Intel

2008: “The Company of the Future”

A More Energy-Efficient Future



Supply Chain of the Future



*More Affordable Health Care
Through Efficiency*



WAL★MART

Energy Efficiency

- Make energy intensive products 25% more efficient by 2011
- Double the sale of energy-efficient products for the home
- Reduce the price of products that increase energy efficiency



Energy Efficient Technologies

LEDs



Solar Power



*High-Efficiency Prototype
Stores*



WAL★MART

The Global Supply Chain

- Reduce the number of factories we source from, as well as the turnover rate in those factories
- Suppliers must demonstrate that their factories meet specific environmental, social and quality standards



Wal-Mart Footprint

Energy



Packaging



Agriculture



Water



Direct = 8%

Indirect = 92%



Transportation



Facilities



Marine



Greenhouse Gas

WAL*MART*

Global Logistics Network



- Improve fleet efficiency by 25% by 2008
- Double fleet efficiency by 2015
- Reduce facility-related carbon emissions

Fleet Innovation

- APUs
- Hybrid Trucks
- Aerodynamic Trucks



Health Care



Wal-Mart Saves Customers More Than \$1 Billion

3/14/2008 - In an address to the Council of Teaching Hospitals in New Orleans later today, Wal-Mart's senior vice president and president of health and wellness, Dr...

[> Read more...](#)

1 2 3 4 II

Packaging Scorecard

- Provides our buyers and suppliers a fully-transparent measurement tool designed to help reduce packaging

Home Page Complete Scorecards Review Scores Score Modeling Help

Wal-Mart Stores Inc. Sustainability Scorecard

Please complete a scorecard for each product carried by Wal-Mart Stores Inc. Once you have answered all the questions in this section, click the "Next Section" button to continue.

If you need help with a question, you can click the icon for a detailed explanation of that question.

Scorecard Steps

- Background & Product Info.
- Selling Unit Packaging materials
- Transport Packaging Materials
- Additional Information
- Review Answers
- Calculated Score

Package & Model Scores

Metric	Raw Score	Rank	Weight
Greenhouse Gas Emissions from Package Production	0.000232748	3%	15%
Sustainable Material	0.246648640	6%	15%
Average Distance to Transport Material	1.233243198	3%	10%
Package to Product Ratio	0.246648640	6%	15%
Cube Utilization	0.582000000	6%	15%
Recycled Content	0.213160136	50%	10%
Recovery	0.977201774	6%	10%
Renewable Energy to Power Each Facility	0.000000000	0%	5%
Innovation Different from Energy Standard	0.000000000	100%	5%
Total Normalized Score (out of 10)		1.3800	

* All relevant scores are calculated in this tool.

earth
month | 08



We can all make a difference.

- April Earth Month will be Wal-Mart's first store-wide focus on taking the messages of sustainability to the customer
- 50+ products, across all major categories, the products; save energy, reduce waste, use certified materials, are grown organically, are made with renewable energy, etc.

"When you make one small choice at Wal-Mart, you're part of 200 Million Wal-Mart shoppers making a big difference for the Earth and our children's future."

WAL★MART

Recycled Rubber Mulch

- Made by recycling 2.5 million tires that come from Wal-Mart Tire & Lube Express Centers
- Long-lasting, low maintenance, won't decompose or blow away
- Customer-Friendly





Lunch Meat

Cheese

Corporate Sustainability
Supplier Excellence
Packaging Scorecard

International Sustainability Board (SB)

Sustainability Should Be A Priority

- “ To provide education, information and direction to the in country Wal-Mart and Supplier communities and to ensure implementation of sustainability initiatives aligned with Wal-Mart Corporate Sustainability goals.”

Strategy

- To identify and recommend to the Sustainability Board a communication plan to facilitate the execution of Wal-Mart International's Global Innovation Projects (GIPs)

SB Subgroups & Members

• Communication Subgroup

Co-Leaders: John Scholes & Andy Tosney

- Matthew Parry, P&G
- Jim Baker, Unilever
- Fran DiRubbo, Campbell's
- Jon Newcomb, GE
- Kelly Sonesen, Wal-Mart Intl

Graham Wills, Kraft
Robert Shober, P&G
Stuart Ransonette, Mars
John Jove, PepsiCo

• Packaging Subgroup

Co-Leader: Alissa Roberts

- Jeffrey Foote, Coca Cola
- Eddie Niemi, Coca Cola
- Jeff Furtah, GE
- Ivan Breton, Int'l
- Alissa Roberts, Mars
- Roy Chinn, Nestle
- Tom Verdery, P&G
- Sriram Tharmapuram, Pepsi
- Rob Hildreth – Wal-Mart Intl

Heidi Frost, Nestle
Betsy Cohen, Nestle
David Prbylowski, Mars
Mark Mleziva, Kimberly Clark
Julie Philips, Nestle
Tony Burns, P&G
Jeff Gliden, Pepsi
Paul Strege, SCJ

• Education Subgroup

Co-Leaders: Peggy Ward & Joe Raleigh

- Mike Hessler, SC Johnson
- Venkat Narayanan, Procter & Gamble
- Joe Raleigh, Unilever
- Peggy Ward, Kimberly Clark

Lucia Llobet, Wal-Mart Intl
Jessica Bill, Wal-Mart Intl.
Leslie Redford, GE Appliances

76% of Canada's Nestlé Branded Ice Cream Goes Green in 2008

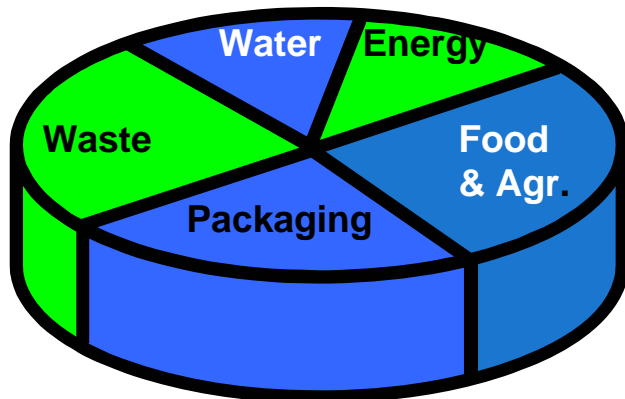
Description of the Initiative:

- Deliver Consumer Packaging Priority: Freshness
- Tamper Evident Safety Seal
- Reusable & Recyclable
- Minimize in-bound packaging transportation



Sustainability Objective:

- Packaging is Reusable & Recyclable
- Packaging is now made in Goderich Ontario and shipped to factory in London Ontario vs. previously being produced in Kansas and NY



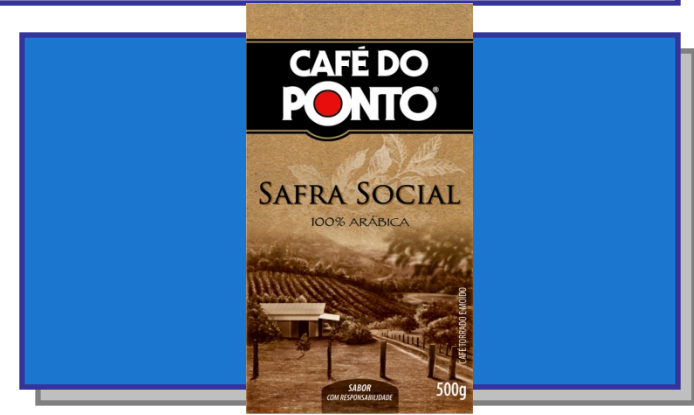
Sustainability Impact:

- Reduced greenhouse gas emissions & use of fossil fuels by reducing packaging transit
- Packaging is now recyclable & reusable
- Plastic packaging for the freshest product possible – reduces in-store unsaleable packages

Brazil: Café Do Ponto *Safra Social* coffee

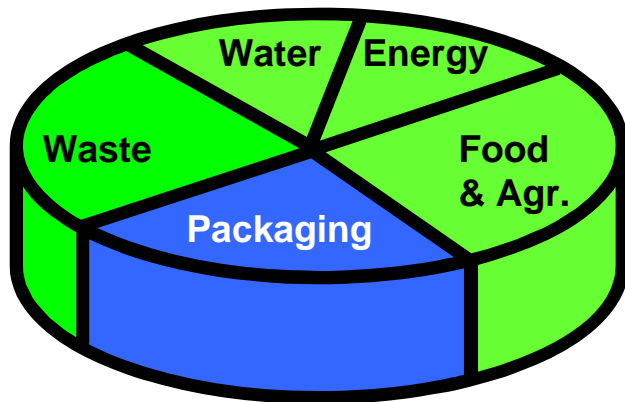
Description of the Initiative:

- This is a responsibly-sourced coffee, with “Safra Social” translating to “social harvest”
- Initial project focused on the development of 40 small farms to help them improve the quality of their coffee output in a economically viable way



Sustainability Objective:

- Economic: Improve the quality of the coffee these farmers are producing to allow them to receive more money for their green coffee, thus allowing for an improvement in their standard of living
- Social: Upon receiving a higher price for their coffee, the coffee farmers can improve their standard of living and that of their workers, along with improving overall conditions on the farm, which results in higher motivation than previously existed



Sustainability Impact:

- Better growing practices that reduce environmental impact as a result of proper training
- Waste and energy reduction through improved growing methods
- Achieved the IDM seal from the Brazilian NGO whose focus is on protecting the environment



PepsiCo/Wal*Mart Puerto Rico "I clean Puerto Rico" 2007 Sustainability Best Practice

Situation:

- Puerto Rico is currently one of the world's top per capita waste producers - 10,000 tons of waste produced daily (ADS)
- Island lacks a strong recycling culture - Only 5% of waste is recycled
- Government has established goal of recycling 35% of all waste produced



Program Objective:

Create a partnership with Wal*Mart, PepsiCo, Yo Limpio a Puerto Rico and Puerto Rico Department of Education to increase awareness on the importance of recycling PET bottles and encourage Wal-Mart Shoppers and students to recycle.



Department of Education



Co-Sponsor of event with Wal-Mart and Yo Limpio A Puerto Rico

Commercialize Idea:

- PR Kit
- Public Announcement with Daddy Yankee (TV & Radio)
- Program POP for schools
- In-store sustainability signage
- Punto Limpios (Fr-Sat-Sun)
- Daddy Yankee (official spokes person) appearances

Prizes:

- Daddy Yankee Concert
- Wal-Mart Gift Certificates for Schools



Co-Sponsor of event with PepsiCo and Yo Limpio A Puerto Rico

Provide 16 stores to be designated Puntos Limpios (recycling centers) where consumers can deposit aluminum cans, glass bottles and PET to be recycled

Daily campaign reminder through Store paging system



Yo Limpio a Puerto Rico, local organization established to educate people about the short and long term impact and the consequences of not recycling.

Manages Puntos Limpios (recycling centers) established at 16 Wal-Mart across the country.

Consolidate all data from all Puntos Limpios to determine which school is winning

Weekly results will appear online in www.yolimpio.com

Recycling education plans for school teachers



Publicly supported program

Media support

Authorized recycling contest among public and private schools from around the island organized in elementary, junior high, and high school categories



Global Packaging Change

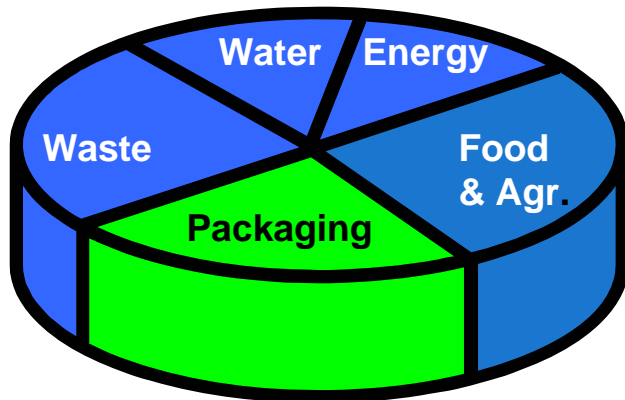
Description of the Initiative:

- Switch from non-certified packaging to FSC Certified paper boards
- Increase the use of Post Consumer Recycled paper



Sustainability Objective:

- Switch to 90% FSC Certified paper board in Brazil for Band-Aid®
- Convert the European Beauty Care cartons to 60% PCR Swiss Board



Sustainability Impact:

- This has saved **26,593** old growth trees
- The conversion to 60% PCR Swiss Board will help save **200 tons** of virgin board annually

GlaxoSmithKline – Consumer Healthcare, UK Nutritionals

Description of the Initiative: Ribena transportation

- Reduce energy consumption during the distribution of Ribena.



Sustainability Objective:

- Locate finished goods warehouse near the factory where bottles and packaging are made.
- Trucks that deliver empty bottles and packs for filling also leave with finished products for distribution.



Changes to Distribution

Sustainability Impact:

- 8,000 trucks a year which once went away empty, now go back full.
- Reduces annual CO₂ emissions by 2,000 tonnes.

Mexico: Mars Inc. Waste Conservation Program

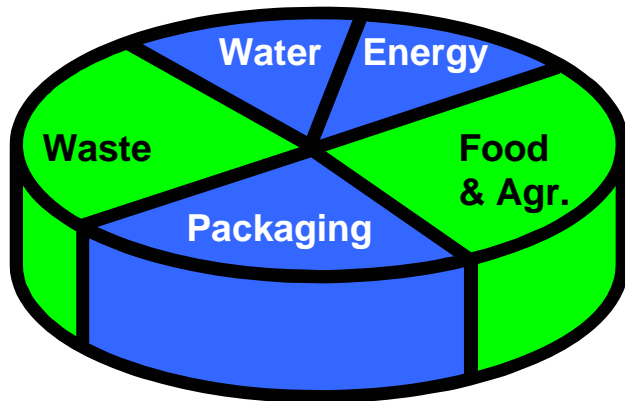
Description of the Initiative:

- Palo Solo Children's Home recycling program
- Only Montessori school in Mexico for low income children
- Raise funds for the school



Sustainability Objective:

- Provide recycled material to school for “MITZ Bag” program
- Recycle packaging materials converted into marketable handbags
- “MITZ Bags” sold to raise funds for Montessori school



Sustainability Impact:

- Reduction of packaging materials sent to landfills
- Help to develop education in a low income community
- Creates jobs for mothers of children attending Palo Solo Montessori school



Lunch Meat

Cheese

Corporate Sustainability
Supplier Excellence
Packaging Scorecard

Global Innovation Projects

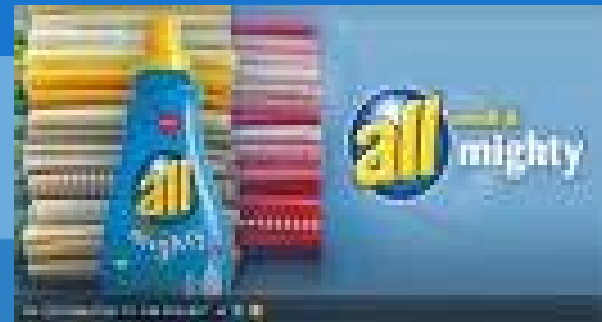
Sustainable Buildings

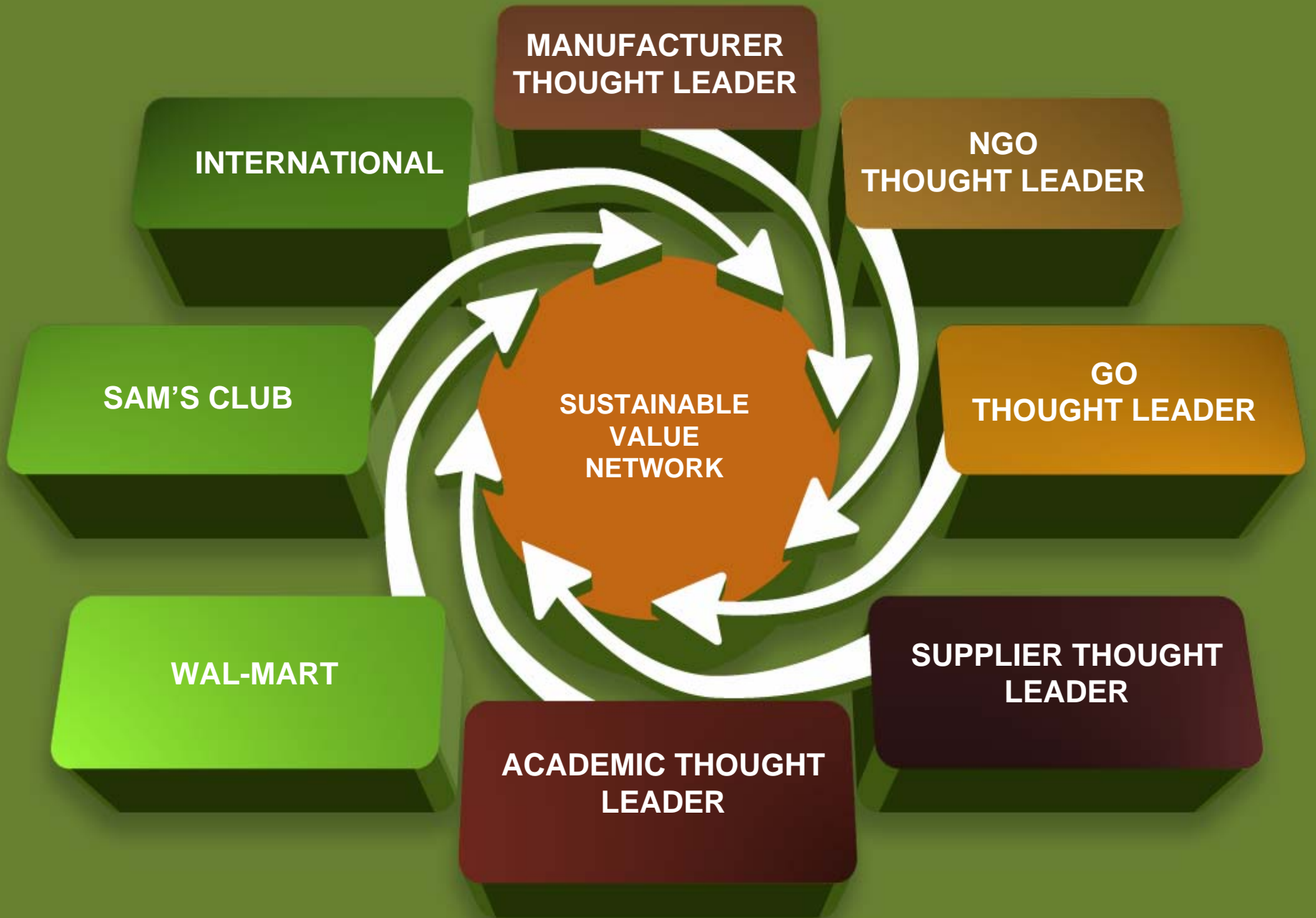


Waste Network



Packaging Network





**MANUFACTURER
THOUGHT LEADER**

**NGO
THOUGHT LEADER**

**GO
THOUGHT LEADER**

**SUPPLIER THOUGHT
LEADER**

**ACADEMIC THOUGHT
LEADER**

WAL-MART

SAM'S CLUB

INTERNATIONAL

**SUSTAINABLE
VALUE
NETWORK**

US Packaging Scorecard

Create New Report

Products & Scores



Wal-Mart Stores Inc. Sustainability Reports

The Sustainability Reports page allows Wal-Mart buyers to quickly review supplier results on the Sustainable Packaging Scorecard and find possible improvements for individual packages. Use the tabs immediately above the Departments & Categories table to switch between reports for Wal-Mart Stores, Inc. and Sam's Club.

To see how many scorecards have been completed by Department, look in the Departments & Categories table below. Use the drill downs to review by Category and SubCategory.

To see scorecard results for individual items and suppliers and to find possible sustainability improvements, use the Create new Report tool to generate SubCategory reports. To create a report, enter a Report Name in the text field, select the SubCategories you want to look at, and click the Save Report button. Your saved reports can be accessed in the View/Edit Existing Reports table and the Products & Services tab.

Create New Report

Report Name:

Category 4- Trash Bags

Save Report

VIEW / EDIT EXISTING REPORTS

- Wal-Mart Stores, Inc.
- Sam's Club

Wal-Mart Stores, Inc.		Sam's Club	
Departments & Categories			
Department / Category / Subcategory	Number of Products	Scorecarded Products	Percent Scorecarded
<input checked="" type="checkbox"/> Dept. (1): CANDY, TOBACCO, COOKIES	14107	1	0.01 %
<input checked="" type="checkbox"/> Dept. (2): HEALTH AND BEAUTY AIDS	24775	533	2.15 %
<input checked="" type="checkbox"/> Dept. (3): OFFICE SUPPLIES	49894	646	1.29 %
<input type="checkbox"/> Dept. (4): HOUSEHOLD PAPER GOODS	1843	316	17.15 %
Category	Number of Products	Scorecarded Products	Percent Scorecarded
<input checked="" type="checkbox"/> Cat. (0): *Unassigned	57	10	17.54 %
<input type="checkbox"/> Cat. (257): TRASH BAGS	246	34	13.82 %
SubCategory	Number of Products	Scorecarded Products	Percent Scorecarded
<input checked="" type="checkbox"/> SubCat. (1): Small Trash	86	10	11.63 %
<input checked="" type="checkbox"/> SubCat. (2): Large Trash.	160	24	15.00 %

Canada timing?

WAL★MART



For ASDA, being green is about...

Helping
people to
ACT

Green
products at
**GREAT
PRICES**

Protecting
**OUR
PLANET**

What countries will follow Canada?

people prices planet

ASDA

What can we do today?



WAL★MART®

Save money. Live better.™