



NATIONAL PACKAGING COVENANT

ACTION PLAN REVIEW

2006/7 Financial Year

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1.0 Executive Summary

Grove Fruit Juice is a privately owned company specialising in the manufacture and distribution of fresh and reconstituted fruit juice and fruit drink beverages.

The product range includes chilled fresh fruit juices, chilled fruit drinks and fruit cordials under the following brands:

- Grove Juice of
- Grove Gold Premium
- Grove
- Only Juice Company
- Only
- Chill
- Boost Natural Borne Juice (joint venture business)

The full GFJ product range including brands and pack sizes can be viewed at our website <http://www.grovejuice.com.au/>

Grove Fruit Juice P/L employs 70 full time staff and has expected sales of \$23M for the 07/08 financial year. Manufacturing from a single site located in Mansfield, Queensland, the company is primarily a processor/manufacturer/contract packer of chilled fruit juice beverages. Distribution is via its own vendor and third party network and through major supermarket chains.

GFJ is committed to a process of continuous improvement in all of its business activities and is fully compliant all government legislation at local, state and federal levels. GFJ is also an active member of the Australian Fruit Juice Association and a signatory to the Fruit Juice Industry Code of Practice.

Packaging Covenant based on the NPC elements of:

- Product /Packaging Design,
- Production,
- Distribution,
- Disposal,
- Research,
- Education and
- Labelling.

The attached action plans outline the commitments Grove Fruit Juice is undertaking to reduce the impact of packaging products and their associated manufacturing processes on the environment. To achieve these actions Grove Fruit Juice will continue to involve all suppliers, employees and customers in the implementation process and the ongoing continuous improvement of the waste minimisation process. The Action Plans for 2007/2008/2009 financial years.

As is the outcome of cleaner production techniques and GMP, GFJ has achieved a number of benefits both for the profitability of the company and for the environment in which it conducts its business.



David Milton

General Manager

Grove Fruit Juice – National Covenant Action Plan

1.1 Entity Commitment and Scope

The following Action Plan covers only the Grove Fruit Juice entity and its Joint Venture although Grove will be working closely with all of its packaging suppliers and waste contractors to achieve the Action Plan.

1.2 Contact Officers

The nominated contact persons responsible for the Action Plan and report:

Mr Gregor Tzvetkoff

Production Manager

Ms Amy Mirtschin

Quality & Food Safety Co-ordinator

Grove Fruit Juice

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1.3 Timeframe

Grove Fruit Juice signed the Covenant in October 2001. The following Action Plan demonstrates our ongoing commitment to the National Packaging Covenant and

Covers the financial periods 2006/7, 2007/8 & 2008/9.

2.0 National Packaging Covenant Action Plans

Grove Fruit Juice through its existing company policies and processes is committed to continuous improvement of all of its business objectives as demonstrated with our third party accreditation to internationally recognised quality systems. Grove recognises the need for conservation of packaging materials and the reduction of waste material to landfill. The packaging objectives outlined in the Grove Action Plan will support the principles of product stewardship and the roles and undertakings of the signatories of the National Packaging Covenant. The Action Plan is based on continuous improvement and key performance indicators, which will allow our business to remain competitive and support current packaging cost reduction efforts.

KPI's

Goal	Performance Indicator	KPI
All packaging has been designed to use minimum materials to achieve a safe hygienic retail product	Estimated the total weight of consumer packaging sold into the Australian market 2006/7	415443 kgs previous year 512000 kgs The reduction is due to reporting only Grove brands excluding contract packed products
	Estimated total net weight of products sold into the Australian market 2006/7	8,677,769 kgs up 6% on last year 8,167,000 kgs
	Percentage of consumer packaging to net weight sold into the Australian market 2006/7	5.03% down from last year 6.37% Due to reduction in materials used, changes in reporting contract packs, and sales mix.
All primary packaging and most secondary packaging materials are recyclable	Estimated total weight of non recyclable material used in 2006/7 PVC Tape 1778 kgs Paper Laminate Labels 2743 kgs	shown as % to net weight .0005% .0002 .0003 Last year total .0007% =28% reduction
Provision of collection services for post consumer packaging and paper	Grove has collection facilities on site to enable the recycling of all recyclable packaging	
Increased recycling of used packaging	Estimated total consumer packaging recycled from on site collection 2006/7 Plastics 19440 kgs Cardboard 15600 kgs Estimated total packaging sent to land fill from on site collection 2006/7 30000 kgs	Increased from .0026% to .0036% representing a 38% increase due to better and more accurate accounting Cubic to kgs
Grove purchasing policy is to purchase recycled materials where possible	Assessment made to use recycled materials for all primary and secondary packaging. In consideration of food safety recycled material is unsuitable as primary packaging only suitable for secondary outer cardboard cartons. Estimated board used 2006/7	170,992 kgs = 19.7% 165,500 kgs = 20.2% prior year A slight increase of 2% Probably due to product mix.
Continuous improvement process against baseline data & KPI's	Baseline estimates have been established All previous reports against action plan have been completed Numerous Improvements have been achieved over previous years with intent to make further gains during 2007/8 to 8/9	

ACTION PLAN 2006/7 REVIEW

PRODUCT STEWARDSHIP ELEMENTS	ACTIONS / COMMITMENTS	PROGRESS TO DATE	OBJECTIVES – 2007 - 2009
DESIGN / RESEARCH	Annual product and raw materials audit to ensure adherence to the Environmental Code of Practice for Packaging and Good Manufacturing Practices. Code of Practice documented in GFJ Food safety Programs HACCP, SQA, SQF 2000 Woolworth's QS to the extent that no package introduction will bypass environmental considerations	All primary and secondary packaging materials currently being used are recyclable eg. HDPE [2] or PET [1] = bottles LDPE [4] or HDPE [2] = closures & stretch-wrap Paper/corrugated fibreboard - cartons On pack promotional material has been reduced to a minimum The majority of our major RM Suppliers are NPC signatories eg. Amcor, Logan Moulders GFJ purchasing policy gives priority to NPC and Quality & Environment System certificated suppliers	It is unlikely that any further light weighting of bottles or cartons is possible without compromising quality and causing product degradation, damage or food safety integrity during storage in cold room environment. Bottles and cartons have been light-weighted during the life of the covenant and our grams RM - Litre product ratio has reduced accordingly. However we will continue discussing the possibilities and engaging the support of suppliers for light weighting and new technology alternatives again during 2008 Ongoing – no alternatives to date
PRODUCTION	Production generated waste measurement Extending stewardship beyond packaging controls to full product life cycle	Product efficiencies are reported Daily by our 'MFGPRO' data system and reviewed by the Prod. Manager. System generated wastages are 2.9% for the financial year 2004/5 calculated by unit. Water usage for the same period was 2.7 L/L	Target waste for 2005/6 was less than 2.5% Actual waste for 2005/6 was 2.6% 2006/7 actual waste 2.55% Water/product KPI's is to be at world class standards of 1.3 L/L Actual rate for 2006/7 = 2.35 L/L Trade waste charges to be addressed and KPI set Measurement criteria and KPI yet to be determined.

DISTRIBUTION	Tertiary packaging reduction	<p>There continues to be a very limited amount of tertiary LDPE pallet wrapping used apart from longer haul distribution after the 10.5% reduction in 2003.</p> <p>No pallet glue or twine is used</p> <p>Completed – limited scope for alternatives given the need for refrigerated units and bulk deliveries to major supermarket chains</p> <p>All incoming fruit and concentrates are purchased in bulk plastic bins or drums</p>	Ongoing but limited to WH&S implications and demands from Supermarket DC's
DISPOSAL	Review current methods of transport both incoming and outgoing	<p>Review administration waste disposals</p> <p>Review production waste disposals</p>	<p>Ongoing pallet space utilisation</p>
	Review administration waste disposals	<p>Completed</p> <p>Good segregation of papers by colour coded bins.</p> <p>GM memo to staff posted and reference included in employee manual</p> <p>Completed</p> <p>Collex waste management contract. Colour coded bins and skips for material separation</p> <p>Cartons/paper on-sold sold to Visy</p> <p>Closure cartons sold to recycler</p> <p>Bottle waste on-sold to Visy</p> <p>Plastic wrap on-sold to Visy</p> <p>Coding ink cartridges recycled to supplier</p> <p>All waste fruit peel to cattle feed</p> <p>Yields of fruit crush are calculated daily and attempts to improve evaluated</p>	Ongoing
	Review production waste disposals	<p>Ongoing discussions with Collex and other Waste management companies re continuous improvement.</p> <p>All waste weights to be posted monthly to reinforce staff awareness</p>	

EDUCATION / LABELLING	<u>INTERNAL</u>		
<p>Review NPC information in employee induction procedure</p> <p>Train current and new employees in Grove NPC action plan</p>	<p>Completed – documented in HACCP training records</p> <p>Reference made in Employee Handbook and included in induction process</p> <p>A good employee incentive has been introduced by the GM which includes a waste and RM efficiency component in the formula</p>	<p>Currently investigating inclusion by IT manager</p> <p>All primary packaging [bottles] displays recycling logo and plastic type ID. 90% of secondary packaging [cartons] displays recycling logo.</p>	<p>Ongoing – in HACCP documentation</p> <p>Ongoing – this document to be posted as will KPI achievements</p> <p>Ongoing - and include monthly explanation of performances and new KPIs in monthly production meetings</p> <ol style="list-style-type: none"> 1. Production efficiencies 2. RM yields pack waste 3. Fruit yields 4. Electricity 5. Water / effluent 6. Incentive progress 7. Disposals charge / income from recyclables sales 8. Costs 9. Employee involvement and suggestions <p>Reference to environmental and NPC commitment on web site with reference to action plan internet address of Packaging Council of Aust. and/or NPC, preferably in a company "Environmental Policy Statement" [Responsibilities DM / GW]</p> <p>Carton suppliers to be instructed to add logo to remaining cartons</p>
	<p><u>EXTERNAL</u></p> <p>NPC action plan and commitments on Grove web site</p> <p>Consumer recycling and disposal messages on product labels</p>		

PACKAGING MATERIAL USED

MATERIAL TYPE	Description And Size	DISPOSAL	USE
HDPE	0.25L, 0.5L, 1L, 2L, 3L, 4L, 5L.	Segregated and recycled	Bottles product primary packaging
PET	1L, 2L.	Segregated and recycled	Bottles product primary packaging
LDPE	38mm Cap Stretch Wrap Bottle Bags	Segregated and recycled General Waste Segregated and recycled	Closures product primary packaging Pallet Wrap Supplier bottle protection
PVC	Self Adhesive tape Labels	General waste recycled	Product carton secondary packaging
Fibreboard	Various sizes	Segregated and recycled	Product secondary packaging
Steel drums	200L	Returnable	Bulk ingredients
Paper	Documents Labels	Segregated and recycled General waste	Administration / Ingredient bags secondary packaging
PE Bulk bins	1m3	Reused	Fruit bins
Coding ink		Cartridges recycled and reused	Date coding primary and secondary packaging