



# **NATIONAL PACKAGING COVENANT**

**ACTION PLAN 2007 – 2010**

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# EXECUTIVE SUMMARY

The Real McCoy Snackfood Company is an Australian manufacturer of salty snack foods that produces under its own brands and also other brands under contract. The company will include in its action plan only those brands owned by The Real McCoy however the company is also committed in assisting brand owners for products under contract with their action plans. The company is a privately owned business with its manufacturing plant and offices in Blacktown NSW.

The Real McCoy was a signatory to the first Packaging Covenant (April 2002) where considerable improvements were made in the removing of recyclable waste from the landfill waste stream, reducing packaging waste produced, working with suppliers and customers to improve our use of packaging and promoting the National Packaging Covenant to its suppliers, customers and consumers. In its re-signing of the National Packaging Covenant (II), The Real McCoy will develop and implement an Action Plan (2007-2010) that will renew its commitment to its previous goals but also meet the new requirements for the covenant. The Real McCoy will adhere to the Environmental Code of Practice for Packaging (ECoPP). The company will utilise the code guidelines in order contribute to the Covenants goals of i) utilising packaging that has been considered with the optimisation of resource efficiency, maximum resource recycling or reutilisation, product protection safety and hygiene, ii) making efficient resource recovery systems in areas where it can ,iii) providing awareness of the environmental impact of its packaging to employees, management, contractors, suppliers, customers and consumers, and iv) ensuring that continuous improvement occurs in the management of packaging throughout the life cycle of the Action Plan. An internal NPC team has been formed with members coming from integral parts of the business (Marketing, Product Development, Purchasing, Technical, QA and Production).

The Action Plan will be based on a four year plan in which the first year will focus on establishing systems to capture the measures and baseline data for improvement on Covenant KPIs and product stewardship outcomes. The following years will focus on implementation of KPIs and on the improvement cycle with investigation and review against the three overarching targets of the NPC of i) increasing recycling of post consumer packaging, ii) increasing the rate of recycling of non-recyclable packaging and iii) no increase to packaging going to landfill.

A commitment has been made by the CEO to ensure that resources are made available to meet the goals set out in the attached action plan and subsequent annual reports.

The Real McCoy has an environmental commitment as part of its business plan that includes packaging recycling as a key component. Becoming a signatory to the NPC highlights this commitment. Awareness to this commitment is made clear to all employees.

# COMPANY OVERVIEW








The Real McCoy Snackfood Co P/L is a privately and wholly owned Australian company which was originally formed in 1987 doing only potato chips and extruded products. Since then it has expanded to meet the demands of Australian consumers for a variety of quality Snackfoods. The product range includes potato chips, popcorn, corn chips, expanded pellets, extruded rice and corn products, and 3 dimensional products. The original factory was situated in Arncliffe. Moving to a modern fully equipped factory and warehouse in Blacktown, NSW in early 2001 has assured The Real McCoy's commitment to expansion into extra production capacity and quality of product.

The Real McCoy in the packaging supply chain would be considered as a manufacturer of consumer products utilising local and imported packaging. It is a brand owner and its brands are detailed in page 5. As well as having its own brands it is a major specialist contract packer of these products. The Real McCoy offers its customers complete flexibility in marketing their own brand with the benefits of quality, service and continuity of supply coupled with the ability to compete in the open market. All its products are despatched from the warehouse at its manufacturing site and as such is not a distributor. The company currently employs 70 – 80 people expanding its operations in seasonal peaks.

## Major Packing materials Used:

Packaging Material	Used In	Brand	Current Disposal
Biaxially oriented Polypropylene (Plain BoPP, Laminated to BoPP or Metallised BoPP).	Consumer Packaging Sold	The Real McCoy, Jumpys, Cheesters, Brahas, Nosh, Pizza Selection, Corny's, Burgerman, Nature's Earth	Landfill
Cardboard Boxes	Consumer Packaging Sold	The Real McCoy, Jumpys, Cheesters, Brahas, Nosh, Pizza Selection, Corny's, Burgerman, Nature's Earth	Recycle
Polyethylene Bags	Food Service Bulk bag	Nature's Earth	Landfill Recycle
Stretch Wrap	Pallet Wrapping	All	Landfill Partial recycle
Composite Can	Consumer Packaging Sold	Jumpys	Recycle
LDPE Caps	Consumer Packaging Sold	Jumpys	Recycle

## Our Products:

Brands	Product Type	Pack Sizes	
The Real McCoy Braha Pizza Selection	Potato Chips Crinkle Cut	<ul style="list-style-type: none"> <li>• 20g</li> <li>• 50g</li> <li>• 100g</li> <li>• 200g</li> <li>• Multipacks</li> <li>• Box Packs</li> </ul>	
NOSH	Potato Chips Slow Cook	<ul style="list-style-type: none"> <li>• 25g</li> <li>• 50g</li> <li>• 175g</li> </ul>	
Cheesters	Extruded Corn & Rice	<ul style="list-style-type: none"> <li>• 20g</li> <li>• 50g</li> <li>• 100g</li> <li>• 200g</li> </ul>	
Jumpys	Potato Based Products	<ul style="list-style-type: none"> <li>• 20g</li> <li>• 50g</li> <li>• 100g</li> <li>• Multipack</li> <li>• 120g Cans</li> </ul>	
Burgerman	Expanded Pellets	<ul style="list-style-type: none"> <li>• 20g</li> <li>• 30g</li> <li>• 100g</li> </ul>	
The Real McCoy	Air Popped Corn	<ul style="list-style-type: none"> <li>• 25g</li> <li>• 100g</li> <li>• Multipack</li> </ul>	
Corny's Nature's Earth	Corn Chips	<ul style="list-style-type: none"> <li>• 50g</li> <li>• 100g</li> <li>• 200g</li> <li>• Food Service Bulk</li> <li>• 1kg, 3kg</li> </ul>	

The Real McCoy also has Private Label, and Contract Packing Business

# OUR COMMITMENT

As a signatory of the National Packaging Covenant, “The Real McCoy Snackfood Co.” is committed to honouring its signatory obligations.

The Real McCoy Snackfood Co. recognises both the environmental and financial benefits of reducing and recycling packaging waste.

We shall endeavour to continuously improve our processes to ensure that our environmental impact is reduced to its lowest possible level. To ensure that continuous improvement is achieved we will communicate to staff the importance of being environmentally aware and the philosophy of the National Packaging Covenant.

We will not limit our focus of waste reduction to the packaging stream.

Appropriate resources will be made available from all areas of the business to ensure that the objectives outlined in the Action Plan are met. A team of key personnel will be established to drive results.

Paul Musgrave  
Chief Executive Officer

# CONTACT DETAILS

The nominated contact person for The Real McCoy’s National Packaging Covenant Action Plan is Gary Piali, Operations Manager. Progress on the Action Plan will be reported monthly directly to the CEO.

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The Real McCoy Snackfood Co. welcomes customer and consumer feedback.

# Key Performance Indicators

Below is the Key Performance Indicators that are relevant to The Real McCoy Snackfood Company

## KPI 1- TOTAL WEIGHT OF CONSUMER PACKAGING SOLD PER ANNUM INTO THE AUSTRALIAN MARKET AND THE TOTAL WEIGHT OF PRODUCTS PACKAGED

Data has been collected from the period 1 Jan 2006 to 31 Dec 2006 and tabled below by brand and Type.

<b>Packaging Material</b>	<b>Brand</b>	<b>Total Weight of Consumer Packaging Sold (Tonnes)</b>	<b>Total Weight of Product Sold (Tonnes)</b>	<b>Ratio of Product to Packaging</b>
Biaxially oriented Polypropylene (Plain BoPP, Laminated to BoPP or Metallised BoPP).	The Real McCoy, Jumpys, Cheesters, Brahas, Nosh, Pizza Selection, Corny's, Burgerman, Nature's Earth	68.1	1,067.8	15.7 : 1
Cardboard Boxes	The Real McCoy, Jumpys, Cheesters, Brahas, Nosh, Pizza Selection, Corny's, Burgerman, Nature's Earth	278.6	1,067.8	3.8 : 1
Polyethylene Bags	Nature's Earth	0.04	3.0	75 : 1
Stretch Wrap	All	4.7	1,090.8	232 : 1
Composite Can	Jumpys	6.9	19.0	2.8 : 1
LDPE Caps	Jumpys , Nuttz	0.8	20.0	25 : 1

**KPI 3-IMPROVEMENTS IN DESIGN, MANUFACTURE, MARKETING AND DISTRIBUTION TO MINIMISE THE ENVIRONMENTAL IMPACTS OF PACKAGING**

The Real McCoy will incorporate into the current systems within the product development life cycle, production, warehousing and distribution consideration for the NPC to minimise the environmental impacts of its products. In the original Packaging Covenant, McCoy’s has initiated and documented significant improvements in down gauging of both cartons and film used. Better efficiencies of material usages also will assist in the manufacturing where packaging is utilised and this also taking into consideration energy utilised for packaging.

**KPI 4 –CHANGES TO PROTECTION SAFETY, HYGIENE, SHELF-LIFE OR SUPPLY CHAIN CONSIDERATIONS AFFECTING THE AMOUNT AND TYPE OF PACKAGING USED**

There are major considerations that The Real McCoy must factor into its packaging;

- a) The packaging of food has strict guidelines for consumer safety under the guidelines of Food Standards Australia. These may at times be greater than those of the NPC.
- b) Ensure Quality of product to be competitive in the market. Quality Program at McCoy’s has requirements for packaging specifications. Protection of product (such as breakage) is incorporated into these quality specifications.

The Real McCoy where possible will endeavour to minimise impact as part of KPI 3.

**KPI 6 – TOTAL WEIGHT, BY TYPE, OF ‘NON-RECYCABLE’ CONSUMER PACKAGING SOLD PER ANNUM INTO THE AUSTRALIAN MARKET**

Data has been collected from the period 1 Jan 2006 to 31 Dec 2006

<b>Packaging Material of “Non-Recyclable” Type</b>	<b>Total Weight of Consumer Packaging Sold (Tonnes)</b>	<b>Total Weight of All Packaging Sold (Tonnes)</b>	<b>“Non-Recyclable” as % of Total</b>
Biaxially oriented Polypropylene (Plain BoPP, Laminated to BoPP or Metallised BoPP).	68.1	359.5	18.9

**KPI 16 – PERCENTAGE OF SIGNATORIES PROVIDING RECYCLING COLLECTION FACILITIES FOR POST-CONSUMER PACKAGING GENERATED ON-SITE**

Recycling occurs with packaging waste generated on site and this is to be reported in annual reports. Investigation to occur over the yearly cycle to improve the amount and number of materials recycled on site.

**KPI 21 – ESTIMATED TONNAGE OF CONSUMER PACKAGING SENT  
A) FOR RECYCLING ( Tonnes and % of Total Waste)**

Packaging Materials sent to recycling through on site collection organised with current waste disposal company

- Cartons Approx : 4.2 Tonnes
- All other materials there is minimal waste and recycling is approx 64 kg
- BoPP Film is not recyclable after use; however investigation is occurring on recycling material that has been made obsolete prior to use. We have recycled approx 300 Kg of unused BoPP.

**B) TO LANDFILL FROM ON-SITE COLLECTION ( Tonnes and % of Total Waste)**

Packaging Materials sent to Landfill with current waste disposal company

- Plain BoPP, Laminated to BoPP or Metallised BoPP Film Approx : 2.0 Tonnes

**KPI 22 – REPORT ON ECoPP ADOPTION AND IMPLEMENTATION THROUGH ACTIONS AND COMMITMENTS**

The ECoPP is being currently reviewed and its adoption will constitute part of the action plan.

**KPI 26 – IMPLEMENTATION OF A BUY RECYCLED PURCHASING POLICY OR PRACTICES WHERE PRACTICAL**

There is current practice to buy cardboard that is 100% recycled. The Real McCoy Snack Food Co claims through its suppliers to have optimal corrugated box packaging in terms of 100% recycled material which is recyclable.

The use of BoPP as packaging film is an industry standard for the products that The Real McCoy produces. This is for various reasons however McCoy will investigate any options that may enter the market.

**KPI 27- ESTABLISHMENT OF BASELINE PERFORMANCE DATA**

The Real McCoy has used data from Jan 06 through to Dec 06 in summary to prepare this action plan. The collection of data going forward will be achieved through systems set up to collect more specific information that will enable better analysis. This has been incorporated into internal systems such as sales, purchasing and production as well as information from suppliers.

**KPI 28 – ANNUAL REPORTING AGAINST ACTION PLAN**

**KPI 29 – DEMONSTRATED IMPROVEMENT AND ACHIEVEMENTS AGAINST INDIVIDUAL TARGETS AND MILESTONES**

The NPC annual report will be prepared and demonstration of improvements and achievements will be documented against targets.

## SUMMARY OF ACTION PLAN

The Action plan will use product stewardship to address PCN responsibilities for The Real McCoy over the lifecycle of its products from design to disposal.

<b>Category</b>	<b>Action</b>	<b>Details</b>	<b>Responsibility</b>	<b>Time Frame</b>
<b>Research</b>	Collect Data on the amount of consumer packaging used and sold	<ul style="list-style-type: none"> <li>System to incorporate requirements of KPI 1 into information for annual report</li> <li>Report on ratio of product to packaging (by Weight)</li> </ul>	Admin / Operations	October 2007 Ongoing
<b>Research</b>	Continue to review baseline data and the measuring system for all waste including packaging waste	<ul style="list-style-type: none"> <li>Develop system to incorporate waste and recycling information into monthly reports (KPI 6, 16,21)</li> <li>Include in reports comments for identifying areas of improvement.</li> </ul>	Production /Operations	October 2007 Ongoing
<b>Research</b>	Investigate through suppliers new materials in the market that may have better impacts on the environment	<ul style="list-style-type: none"> <li>Review with suppliers on a set basis any initiatives that occur on packaging materials in regards to environmental impacts</li> </ul>	Marketing Purchasing	Ongoing
<b>Design</b>	Incorporate into current Product Development cycle awareness of PCN requirements and reviewed against guidelines of ECoPP	<ul style="list-style-type: none"> <li>Include section for awareness in current form and in Product Item master forms</li> <li>Change Register to flag any changes to packaging that may impact environmental factors</li> </ul>	Admin / Product Development	October 2007 Ongoing
<b>Design</b>	Light weighting	<ul style="list-style-type: none"> <li>Review current film specification with suppliers and determine if there are any possibilities of light weighting. Especially secondary packaging film.</li> </ul>	Product Development	Ongoing
		<ul style="list-style-type: none"> <li>Review carton specifications with carton suppliers and determine if there are any possibilities of light weighting</li> </ul>		Ongoing
<b>Design</b>	Review pallet & carton utilisation.	<ul style="list-style-type: none"> <li>Work with customers to make improvements on pallet and carton utilisation.</li> <li>Reduction in product: carton ratio. Or investigation report.</li> </ul>		December 2007

<b>Design Purchasing</b>	Develop an outline for purchasing policy which incorporates a percentage recycling ratio for materials	<ul style="list-style-type: none"> <li>• Current practice is to ensure that all secondary and shipping cartons include the maximum amount of recycled board possible. Convert to a standard</li> <li>• Review a material in terms of recycling content</li> <li>• Report and review against KPI 6, 21</li> <li>• Work with suppliers to ensure that packaging is returnable, reusable, and recyclable.</li> </ul>	Purchasing / Operations	June 2007
<b>Production</b>	Review packaging material specifications in manufacturing operations	<ul style="list-style-type: none"> <li>• Review against efficiency and waste</li> <li>• Review minimum requirements to ensure adequate protection and shelf life of product</li> </ul>		Ongoing
<b>Production Purchasing</b>	Review packaging material specifications of raw materials coming into manufacturing operations	<ul style="list-style-type: none"> <li>• Review with suppliers of raw materials to enable optimum recycling</li> </ul>	Purchasing / Production	December 2007 Ongoing
<b>Distribution</b>	Design logistic parameters that will allow the minimum impact on the environment	<ul style="list-style-type: none"> <li>• Review Pack sizing, pallet configuration, pallet stability etc to minimise materials</li> <li>• Review with customers the effects of logistics to minimise environmental impact</li> </ul>	Warehousing, Transport	June 2008 Ongoing
<b>Education</b>	Information to be made available to suppliers , customers, and general public that will promote the NPC and its requirements	<ul style="list-style-type: none"> <li>• Include the do the right thing logo or similar statement on all packaging. Logo or statement included on all internal packaging standards.</li> <li>• Include Information of the NPC and The Real McCoy's commitment in the company website</li> <li>• Make contract packing customers aware of PCN requirements</li> <li>• Include in customer handouts information on the National Packaging Covenant and The Real McCoy's commitment to the environment.</li> </ul>	Marketing, Product Development	December 2007
<b>Education</b>	Information to be made available to employees and management that will promote the NPC and its requirements	<ul style="list-style-type: none"> <li>• Ensure Training Program incorporates awareness of the NPC to al staff</li> </ul>	Training , Technical	June 08

<b>Retailing</b>	Sharing of information to improve packaging outcomes with retailers	<ul style="list-style-type: none"> <li>• Discussion with retailers about the opportunity to share information and data on better packaging solutions that affect consumer packaging waste</li> </ul>	Marketing Sales	December 2007 ongoing
<b>Disposal</b>	Improve on site Recycling facilities	<ul style="list-style-type: none"> <li>• Develop improved system for on site recycling of post consumer packaging for manufacturing, admin and warehousing to minimise landfill waste</li> </ul>	Waste Management	December 07
<b>Disposal</b>	Recycling information	<ul style="list-style-type: none"> <li>• Provide in annual reports data on quantity of materials recycled and consumer waste to landfill</li> </ul>	Operations	Annually
<b>All</b>	NPC team to review all areas of improvement for all actions and KPIs	<ul style="list-style-type: none"> <li>• Initiate NPC meetings to ensure communication on goals and results for action plan</li> <li>• Report Annually against plan as per KPI 28</li> <li>• Demonstrate improvement as per KPI 29</li> </ul>	NPC Team	Ongoing