PRESS STATEMENT

Brand launched to punt the recycling of food packaging

*Johannesburg – Tuesday, 17 April 2012* – Entering an arena where factory recyclers generally fear to tread, a local recycling firm has engaged in the somewhat unusual exercise of a recycled PET brand overhaul.

In recognising the rising need to inspire both the public and packaging manufacturers to advocate the use of recycled *polyethylene terephthalate* (PET) resin in their food packaging, PETCO member Extrupet wants to kill two birds with one stone: increase market demand for the globally certified recycled food-grade PET it produces locally, and reduce the excess burden that used food packaging is placing on South Africa’s landfill sites.

But, says Extrupet chief operations officer Chandru Wadhwani, the rise in green consumer consciousness and a need for local consumer brands and their retailers to display better sustainability credentials, has justified the recycler’s investment in creating the PhoenixPET brand in 2012.

“Packaging is increasingly being recognised as a vital concern in any brand’s value chain – not only due to pressure from environmental NGO’s, but also as sustainability reporting and the King III Guidelines place increasing emphasis on an environmentally conscious supply chain,” says Wadhwani.

“Every player in the massive global plastic industry has had to grapple with the environmental results of the world’s ever-increasing reliance on plastic products – perhaps more so in the fast-paced, once-off use food packaging industry.”

With PhoenixPET, Extrupet hopes to dispel local market myths about recycled food packaging. The good news is that PET is 100% recyclable, and not just once. Because of its properties and durability, PET can be recycled many times over.

In 2009, Extrupet became the first “food-grade” rPET bottle-to-bottle (B2B) recycling plant in Africa, and to date is the only B2B recycler on the continent. Extrupet’s state-of-the-art B2B plant is the first globally to be certified by the British Retail Consortium (BRC) for meeting stringent food safety standards, and remains the only BRC-accredited PET recycler globally.

PhoenixPET also meets the US FDA’s stringent food safety standards, and is already used in food packaging by top retailers in South Africa, such as Woolworths and Pick ‘n Pay. With PhoenixPET, Extrupet aims to achieve a minimum percentage of PhoenixPET used in all PET packaging and to establish pockets of new packaging made from 100% PhoenixPET, in the near future. Unilever also endorsed PhoenixPET by using it in their Sunlight bottles at present at 25%, with plans to increase this to 50% later this year.
Wadhwani adds that the more appealing brand, referencing a phoenix rising from the ashes, and as such a “rebirth”, should inspire key stakeholders such as FMCG companies and retailers to co-brand, and offer consumers a tangible brand to connect with in meeting the environmental challenges of modern-day living.

Extrupet has the capacity and provides the quality assurance to meet the growing local and regional demand in the bottle-blowing and sheet thermoforming markets for environmentally friendly, recycled raw materials. PhoenixPET is 100% hygienic and safe for food and beverage applications. Extrupet upgraded its Vacurema reprocessing system early in 2011 to an advanced system that allowed for a higher residence time in the vacuum reactors, improved the quality of the material and increased its installed production capacity from 400 to 500 mega-tonnes (MT) per month.

With the generation of a higher IV resin, a greater percentage of the local PET bottle market has now been able to introduce this valuable material into their stable. Additionally, percentage use of this material when blended with virgin polymer has increased from conservative introduction rates of 10% to in many cases these days, as much as 50%.

PhoenixPET is produced in two different grades, one with a standard IV for thermoforming uses such as in the manufacturing of sandwich packs and grape punnets, and the other a higher IV for the use of manufacturing PET bottles. Specification sheets are available from Extrupet on request.

“We envision PhoenixPET becoming a benchmark to other packaging mediums on what is achievable when aspiring to achieve a cradle-to-cradle solution for packaging waste re-use,” concludes Wadhwani.

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