

Poland Spring®

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Statement of Poland Spring

TO: Committee on Environment and Natural Resources

RE: LD 1467: An Act to Promote Circular Economy through Increased Post-Consumer Recycled Content in Plastic Beverage Containers (**Support**)

Good afternoon, Chairwoman Brenner, Chairman Tucker and members of the Environment and Natural Resources Committee.

Poland Spring has been sustainably sourced in Maine since 1845. Today, Poland Spring® is Maine's 5th largest manufacturer employing approximately 900 workers living in over 100 communities, primarily in Maine's rural counties. As we celebrate passing our 175th anniversary, we are proud of our economic and environmental contributions to this state, particularly our employees' ongoing work to support Maine's first responders as well as the hospitality and tourism industries during the COVID-19 pandemic.

Addressing pollution and achieving a waste-free future is a goal we share and one that requires the work of us all—responsible private sector action and thoughtful public sector policy. Poland Spring has been a proud industry leader in packaging sustainability—source reduction, designing for recyclability, and material innovation.

We support LD 1467 and commend Representative Dudera for her work with stakeholders over the last two years to find consensus on a framework to set post-consumer recycled content standards.

Like other beverage manufacturers, we have made commitments to increase the use of recycled content throughout our portfolio. Making more bottles out of existing bottles is a critical step toward making the circular economy a reality in Maine and throughout the region.

To achieve this, there needs to be a robust and stable regional supply of food-grade recycled content. We are encouraged by the announcements of recent infrastructure investments in the region to increase supply, but more investment in collection and processing is needed.

Historically, beverage manufacturers have purchased food-grade recycled content through short-term supply contracts or on the spot market. Price volatility between virgin content and recycled content has made long-term supply contracting difficult. Without long-term supply contracts,

recycled content suppliers are often unwilling to make the necessary investments in machinery, equipment, and collection to increase supply.¹

In addition, too many recovered beverage containers are being down-cycled and used in non-food contact applications versus being made back into beverage containers. While giving a plastic beverage container another life in products such as carpets and textiles ensures one more use, it does not represent the highest and best use of food-grade recycled material. Further, those products are generally incinerated or landfilled, which takes the plastic out of the circular economy. Latest available information from NAPCOR reveals that out of the approximate 1.5 billion pounds of rPET used by U.S. end markets annually, only 425 million pounds, or less than 30%, were put back into food and beverage applications.² As a result, over 1 billion pounds of food-grade rPET is currently diverted to non-food contact applications, disrupting a truly circular economy.

We believe a reasonable recycled content standard beginning in 2026 for plastic beverage containers sold in Maine will solidify demand thereby stimulating the necessary further collection and investments to increase regional supply. Establishing a recycled content standard will also realign end market use so that more food-grade recycled content is recycled back into food-grade applications.

LD 1467's 2026 and 2031 recycled content targets are achievable, the measurement of compliance is flexible, and the necessary guardrails exist to relax or suspend the standard if market conditions warrant.

We look forward to working with this Committee to promote the greater use of recycled content.

¹ http://www.closedlooppartners.com/wp-content/uploads/2017/11/CLP-RPET-Report_Public-FINAL2.pdf

² <https://napcor.com/reports-resources/>