

WHITE PAPER

Sourcing for Sustainability: How to Evaluate a Paper Manufacturer's Sustainability Practices



Sourcing for Sustainability: How to Evaluate a Paper Manufacturer's Sustainability Practices

Most companies today know sustainability is more than just “going green.” They understand the three interconnected pillars (sometimes referred to as the “three legged stool”) that contribute to total sustainability: environmental, economic, and social. They also understand that if any one of those pillars is not adequately addressed, the “stool” will fall. However, understanding and adopting internal practices and procedures is only a first step. You should also consider your suppliers’ sustainability practices because, ultimately, their efforts will impact yours.

How do you go about evaluating the sustainability of a supplier? Start by clearly defining what sustainability means to your company, and what aspects you consider most important. Is it the materials used? Energy efficient practices? Employee working conditions? Or do you prioritize contributions to local communities? No matter how long or detailed the list, knowing your company’s values will put you in the best position to begin measuring suppliers.

In the following report, Boise Paper, the manufacturer of America’s top selling copy paper, outlines what to look for within each of the three pillars to help you make strategic sustainability decisions when sourcing your company’s paper.

Environmental Impact

A demonstrated commitment to environmentally friendly materials and business practices is a core component of sustainability. Unfortunately, it can also be one of the most difficult to evaluate, with some manufacturers leveraging the popularity of “go-green” messaging to *greenwash* and exaggerate eco-friendly claims with little proof. As you evaluate a manufacturer’s environmental practices, look for these five items:

1. Third-Party Certifications



Like many industries, forest products companies may add third-party certifications to provide credible environmental claims. In the forest products industry, the three top certification programs are the Sustainable Forestry Initiative® (SFI), the Forest Stewardship Council® (FSC®) and the Programme for the Endorsement of Forest Certification (PEFC™).

While the process for certification varies by program, basic requirements include third-party site assessments, public reporting, peer reviews and annual inspections. Forest certification verifies that a specific area of forest is being managed according to trusted sustainability standards for the wellbeing of the environment, as well as the economy and humanity.

In addition to certifying responsible forestry practices, these programs also provide standards to certify a manufacturer’s fiber procurement and chain-of-custody practices. Fiber Procurement certification governs how participants obtain wood fiber from non-certified forestland. This is applicable when organizations do not own or manage their own land, but purchase wood directly from forest owners. Importantly, provisions in SFI®, PEFC, and FSC procurement

standards do not allow the sourcing from illegal logging activity, and require considerations for preserving biological diversity within the forest. Chain-of-Custody (COC) certification verifies and tracks certified wood and wood-based products, as well as recycled materials, throughout the supply chain – from the location of harvest to the consumer, including transportation, receipt, production, sale, resale, and declaration. While certification may not be mandated by governments, credible programs like SFI, FSC, and PEFC conform to existing laws and basic sustainability requirements.

When evaluating a paper manufacturer, ask to see what types of forest, fiber procurement and/or chain-of-custody certifications they have attained, as this gives a strong indication of their commitment to sustainability.

2. **Internal Management Systems**

Sustainable manufacturers consistently seek process improvements to minimize their environmental impact. Top performers have dedicated professionals to track and monitor environmental metrics and key performance indicators, such as energy use, greenhouse gas emissions, water consumption, and solid waste generated. They also should be screening for hazardous substances and persistent toxins like heavy metals in the chemicals and raw materials they use to produce their products. Take a close look at the company's compliance history. If they have had any major violations, sustainable performers will take appropriate steps to address any root cause issues and will document the resolution of (or plan to resolve) the concern.

U.S.-based paper manufacturers like Boise Paper have dedicated resources that track metrics and develop practices to ensure compliance with robust U.S. regulations and improve their environmental position. It's this level of commitment that's the clearest sign of a commitment to sustainability.

3. **Use of U.S. - based Forest Land**

In the United States, wood used to make paper originates from two places: privately-owned forests and public forests operated by federal, state or local governments. In fact, about 90 percent of the wood harvested in the U.S. for products like paper and lumber are made from trees grown on private forest land, owned by families and businesses who make their living operating sustainable forests, while just 10 percent is public land.¹ By providing a dependable market for responsibly grown trees, manufacturers can encourage landowners to manage their forestland sustainably.



In addition, U.S. forestry operations adhere to strict local and federal regulations.² As a result, paper sourced from U.S. forests is not a threat to the health of those domestic forests. Other sources of paper, particularly some paper coming from overseas, cannot make the same claims.

4. Recycled and Fresh Fiber Paper Product Offerings

On the surface, it may seem that using 100 percent recycled paper would be the most sustainable choice for your company – but paper with 30 percent and 50 percent recycled content, or that has no recycled content, play a vital role in the sustainable recycling loop.

This is because the wood fibers used to make paper can be recycled up to six times before cumulative breakdown makes them no longer usable.³ Due to this limit, paper products made from fresh/first-use wood fibers are needed to keep the recycling loop going. Because use of fresh and recovered fiber are necessary to sustain the fiber stream, the recycled content of any given paper product is not an exclusive indicator of sustainability.

For office papers, look for recycled papers that are bright white and have a jam-free guarantee. If you're unsure about a manufacturer's recycled paper options, do a side-by-side comparison with its fresh fiber paper, and run both through a printer test to see how they perform. A quality recycled paper will often stand up equally well to its fresh fiber counterpart.

5. Thought Leadership to Reduce Environmental Impact

Sustainable manufacturers think beyond the bottom line, knowing that strong environmental practices and protections contribute to a thriving forest-products industry with long-term sustainability. When manufacturers take a “seat at the table” with scientists and conservationists they demonstrate a commitment to elevate the industry as a whole. Investing and contributing in these organizations increases informed, accurate scientific research, improves environmental regulation and sustainability reporting and allows manufacturers to improve their own practices and reduce their environmental impact. The National Council for Air and Stream Improvement (NCASI) is a 501(c)(6) non-profit scientific association organized to serve the forest products industry as a center of excellence providing unbiased, scientific research and technical information necessary to achieve the industry's environmental and sustainability goals. NCASI research has been critical to the forest products industry in developing best practices for air, water and waste management that are widely used in the forest products industry in its manufacturing processes.

By contributing thought leadership, planning, and funding to organizations like NCASI, sustainable manufacturers help ensure a vibrant economic outlook for the industry and the people and communities they serve.

Economic Awareness

While every manufacturer has a goal of profitability, it should not come at the expense of quality products or long-term economic viability. Awareness of economic responsibilities – both within the industry and in the community – is a sign of a sustainable manufacturer. Look for the following when evaluating a manufacturer's commitment to economic sustainability.

1. **Domestic Manufacturing**

Low-quality, cheap office paper comes at a price. Cheap paper leads to performance issues and delays that reflect poorly on your company. And manufacturers of cheap paper, often foreign suppliers, have little vested in the economic success of your company or the communities you serve.

A “Made in the U.S.A.” claim is not only patriotic – it has true economic impact. Nearly one million people are directly employed by the wood products industry in the United States.⁴ These jobs provide families with a source of income and help support local economies in the towns where they’re based. This helps ensure the vibrancy of the community and continued operations of the manufacturer for generations.

The Federal Trade Commission heavily regulates the usage of “Made in the U.S.A.” claims in packaging and advertising, on the premise that “Made in the U.S.A” means all – or virtually all – of the product and its components were manufactured domestically. Companies making false claims open themselves up to significant litigation, so it’s a fairly safe bet that most “Made in the U.S.A.” claims you see are accurate. However, as a purchaser, you should look at the fine print, as companies may add qualifiers such as “with imported parts” that belie their production claims.

Another way to verify the extent of a company’s domestic manufacturing is to look up or ask for the addresses of their operations. Any overseas production locations should raise a red flag.



2. **Well-Documented Protocol**

Whether foreign or domestic, all manufacturers should have documented policies and procedures covering production and employee safety. To evaluate manufacturers in this area, look for public reports from federal and state regulators, like OSHA or the FTC. While incidents are bound to happen, well-documented and enforced protocol should prevent frequent citations.

If you’re planning to purchase from a foreign supplier, make sure you understand the laws of the country in which they operate. Government regulation of manufacturing can vary widely, and some foreign suppliers may not adhere to critical measures common in the United States.

3. **Fair and Safe Supply Chains**

In addition to internal control processes, responsible manufacturers should apply stringent checks and balances throughout their entire supply chain. Look for companies that adhere to an effective manufacturing code of conduct, outlining social and environmental activities based on fair labor principles and practices. Because your business is deeply affected by your vendors’

supply chains, you should ensure this code aligns with your own company’s expectations and values.

Another benefit U.S.-based manufacturers should provide is greater accessibility and shorter response times, which allows them to prevent issues such as incorrect orders or delivery delays. Ensure your supplier can offer dedicated customer service relationships to provide immediate support and direct confirmation, thereby reducing potential ambiguity that costs time and money.

4. **Investment in Industry Improvement**

Thought leadership need not be limited to environmental issues. Sustainable manufacturers also invest time and resources in research and best practices that improve production and create safer work environments. Look for suppliers with good reputations in the industry. Even relative newcomers, without a lengthy record to review, can demonstrate a high-level of visibility and involvement in industry associations or investment in research studies that will move the industry forward. Partnerships, media coverage and overall presence can help determine their economic awareness and commitment to move the industry forward.

Social Responsibility

The final element of sustainability focuses on balancing the needs of the company with those of its employees, customers, local communities, and the world. Different manufacturers address social sustainability in various ways based on their core values. Consider the following when evaluating a manufacturer’s commitment to social sustainability.

1. **Connection to Local Communities**

An engaged workforce is a frontline indicator of a strong company culture, and responsible manufacturers are both invested in the success of their employees and connected to the communities those employees call home. Whether donating school supplies to local schools or time, energy, and resources to spruce up local parks, these connections should extend outside the walls of the company.



Improving Communities with the Arbor Day Foundation

Parks are at the heart of every vibrant community. That’s why Boise Paper and the Arbor Day Foundation partner to turn abandoned urban areas into neighborhood parks and green spaces through Project UP™. Boise Paper launched Project UP in 2011 as a way to demonstrate how a commitment to sustainability could breathe new life into communities in need. To date, hundreds of Boise Paper employees, partners and community members have volunteered to plant thousands of trees, shrubs, and plants at transformational projects across the country.

Look for long-term and multi-generational employees from the same family as a sign the company treats their people well. Check out their social media presence to get a sense for employee engagement and sentiment. And, if possible, ask to visit one of their manufacturing facilities in person.

2. Partnerships with Reputable Associations

Responsible manufacturers partner with respected non-profit organizations and associations. It's as simple as that. Even if they've launched their own initiatives, suppliers who connect with reputable, third-party non-profit or charitable organizations add credibility to their social responsibility claims. Ask the manufacturer about its partnerships and contributions, and don't be afraid to contact those associations for more information on the manufacturer's efforts.

3. Alignment with Your Company's Values

Consider the social causes your company champions. Do your suppliers share similar priorities, or are they working to impact different causes? Working with a manufacturer committed to the same causes may help extend your company's impact in those areas, while manufacturers focused on other areas may help fill important gaps your company simply doesn't have the resources to address. Whatever level of alignment you decide is right, be wary of very recent programs or donations that appear perfectly aligned with your company. These may be a sign the supplier is not as committed to the cause as they are to winning the contract.

Conclusion

Sustainability is a major focus for companies and consumers today – but true sustainability goes beyond being a good steward of the environment. A commitment to total sustainability helps drive innovations that change the way we think about products, technologies, processes and business models.

Evaluating manufacturers on all three pillars of sustainability – environmental, economic and social – gives a truly accurate perspective of the manufacturer as a whole. Choosing a manufacturing partner that excels at all three pillars not only “checks the boxes,” but it enhances and strengthens your own sustainability mission, which will ultimately help your company to better compete and succeed in today's economy.

1. USDA Forest Service
2. US EPA, Forestry and Logging Sector
3. The Fiber Cycle Technical Document, Metafore, updated by NCASI 2019
4. American Forest and Paper Association