

ARDEX Australia

A packaging assessment case study



Australian Packaging Covenant



A new Covenant signatory finds significant savings

ARDEX Australia became a signatory to the Australian Packaging Covenant (APC) in September 2012 and began to review their packaging using the Sustainable Packaging Guidelines (SPG) in 2013. Taking a compliance-focussed approach, they initially found the process quite difficult and non-intuitive, and some of the questions in the SPG did not seem to be relevant. With the assistance of the APC they have now developed a streamlined process that will be integrated into their New Product Packaging Approval process. The first assessment - for corrugated distribution packaging - identified significant environmental and financial savings.

This case study highlights

- You don't need to be a packaging sustainability expert to identify potential improvements
- Packaging suppliers are often willing to assist by attending meetings or providing background information
- Environmental improvements can generate other business benefits.

About the company

ARDEX Australia is an independent family-owned company which specialises in high-quality construction materials for substrate preparation, levelling floors, the fixing of natural stones, and ceramic tiles and other surfacing materials. The company is part of the ARDEX Group, which is based in Germany and has 39 subsidiaries and 2,000 employees in over 50 countries.

Packaging used by the company includes plastic pails, plastic tubes, multi-layer paper sacks, and corrugated shippers and shelf ready cartons. ARDEX joined the APC in 2012 and is implementing its first Action Plan.



A selection of ARDEX Australia products





The case study

ARDEX Australia agreed to work with the APC to provide a case study on effective packaging assessments. Two workshops were held between the APC and ARDEX Australia representatives from marketing, workplace health and safety, production, and procurement. The aims of the meetings were to:

- discuss how packaging assessments could be adapted and integrated into existing business systems to make the process more efficient and outcomes-focused
- undertake a trial packaging assessment of corrugated distribution packaging including shippers and shelf ready packaging formats.

The assessment process

The ARDEX team had previously started a packaging assessment, but found the process to be quite difficult. It was agreed that a new approach should be adopted for new and existing packaging, which would involve:

- a streamlined SPG checklist tailored to each packaging type. This will eliminate any questions that are not relevant to the particular product or packaging type and avoid duplication
- integration of the SPG checklists into the ARDEX Australia *New Product Packaging Approval* process.

Many of the questions in the SPG relate to the environmental performance of packaging suppliers. To assist with the assessment, the procurement manager contacted Visy to obtain information on their packaging and production processes. Visy supplied a number of useful documents, including:

- *Visy's commitment to the Australian Packaging Covenant Sustainable Packaging Guidelines*
- *Visy environment and sustainability practices*
- *Visy pulp and paper fibre procurement statement*
- *Making and approving green claims.*

Assessment of corrugated packaging

A trial assessment was undertaken of corrugated distribution packaging. This involved three steps:

- An initial workshop to discuss the assessment process and to identify a preliminary list of opportunities for corrugated packaging
- Contact with packaging suppliers to gather information and investigate the feasibility of the most promising opportunities
- A second workshop to undertake a more thorough assessment using the streamlined SPG checklist and to discuss the progress of the identified opportunities.





The corrugated packaging currently used by ARDEX Australia for product distribution includes:

- Pre-printed shippers manufactured in Australia with up to 100% recycled content;
- A limited range of shippers with an outer layer of white virgin paper; and
- Shelf ready packaging (SRP) for product in plastic tubes.

The two most promising opportunities that are being investigated are discussed below.

1. Purchasing plain (unprinted) shippers

The first opportunity is to purchase generic (unprinted) shippers for a range of products instead of buying printed shippers for each individual product. Labels will be printed in-house and affixed to the shippers prior to distribution. This has a number of potential benefits:

- The amount of printing will be reduced
- Less ink on the shippers will make them more attractive as feedstock for the recycling mill (as they generate less production waste and a cleaner end-product)
- Inventory costs will be reduced because less product will have to be stored in warehouses, and over time there may be less obsolete stock
- Packaging costs are likely to be lower as the supplier will not have to charge for artwork and set-up costs, and ARDEX Australia will have more flexibility to change suppliers.

2. Replacing white shipper

The second opportunity is to replace white corrugated shippers with brown shippers. The white outer layer on some shippers is bleached and normally manufactured from virgin fibre. White boxes are often used for aesthetic reasons, but ARDEX Australia believes that this is not necessary or even desirable for their major retail customer. A shift to brown shippers will eliminate a potentially hazardous production process (bleaching the fibre) and allow the level of recycled content to increase to 100%.





White shippers

Lessons for other signatories

1. You don't need to be a packaging sustainability expert to find opportunities

The APC team at ARDEX Australia discovered that their business and packaging knowledge was sufficient to enable them to identify improvement opportunities. The team's expertise in different aspects of the business, including procurement, marketing, manufacturing, distribution and retail, allowed them to take a critical and informed look at the current packaging system. Guided by the questions in the SPG, they were able to quickly identify some practical and cost-beneficial areas for improvement.

2. Adapt the Sustainable Packaging Guidelines to suit your products

The APC encourages signatories to adapt the SPG to make the assessment process as efficient and engaging as possible. ARDEX Australia decided to start the assessment by sending the SPG questions to Visy for their input. A shorter template was used for the packaging assessment, with a focus on the issues that are most relevant to corrugated packaging. A set of templates will be developed to cover the main packaging types used by ARDEX.

Next steps

The two projects that were identified through the review of corrugated distribution packaging are currently being investigated to determine their commercial and financial viability.

The packaging assessment process will also be used to evaluate other packaging types, including plastic pails and tubes.

Resources to help signatories achieve effective assessments:

[Packaging Assessment Guideline](#)

[Packaging Assessment Templates](#)

