



**PRIMO SMALLGOODS**  
AUSTRALIAN PACKAGING COVENANT (APC)  
2010-2015 ACTION PLAN



**A signatory to the  
Australian Packaging Covenant**



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## 1. EXECUTIVE SUMMARY

Primo Smallgoods was a signatory to the National Packaging Covenant (NPC) and has been invited to become a signatory to the Australian Packaging Covenant (APC). Primo Smallgoods is a brandowner, a member of the packaging supply chain and as a signatory to the Covenant is required to submit an Action Plan for the period 2010- 2015 and ongoing Annual Reports.

The purpose of the Action Plan is to show how Primo Smallgoods intends to contribute to the achievement of the Covenant's goals and to meet its obligations under the Covenant. The three main performance goals of the Covenant are:

1. Design - Optimise packaging to use resources efficiently and reduce environmental impact without compromising product quality and safety
2. Recycling - Efficiently collect and recycle packaging
3. Product Stewardship - Demonstrate commitment of all signatories

Earlier in the year Primo Smallgoods stakeholders met with its third party external consultant and participated in a workshop to review the requirements of the APC. As part of this review the stakeholders were taken through a 28 question questionnaire based on APC documentation and attendance at APC Workshops. The results of this review are documented in the Action Plan and the actions arising from this review are summarised in the Action Plan Table.

Primo Smallgoods has carried out a preliminary review of the skills required to meet the requirements of the Australian Packaging Covenant. We have identified the key departments required to have input and will create a team to work on this key project as part of our ongoing efforts to address packaging. This Action Plan is to be followed up by regular meetings of the APC Team where we will continue to address the issues raised throughout the Plan. The Team will endeavour to facilitate a timely implementation of the Action Plan and will ensure data is stored in an auditable manner in a centralised APC audit database.

Mr. Sanath Nanayakkara, General Manager – Quality Assurance, is responsible for Primo Smallgoods' commitment to the Australian Packaging Covenant. He reports directly to the Managing Director, Mr. Paul Lederer on all issues relating to the Covenant. This Action Plan has been endorsed by the Mr. Lederer.



## 2. COMPANY PROFILE

### 2.1 PRIMO SMALLGOODS AT A GLANCE

Primo Smallgoods was founded in 1985 with approximately 38 employees, operating a manufacturing facility in Homebush, Sydney.

In 1991 the company expanded into Queensland with the acquisition of Gold Cob Smallgoods (now trading as Primo Smallgoods). This manufacturing facility was to be the headquarters for Queensland, and is now supported by a warehouse facility at Tingalpa Hemmant which in turn services a smaller warehouse in Cairns. Plans are currently in place to build a new manufacturing plant in Brisbane. This will almost double capacity and streamline production.

In February 1998, the company relocated to new premises at Chullora. This manufacturing plant was built to specification and is the most modern, innovative high tech facility operating in the Southern Hemisphere. In such a short time this manufacturing plant has seen two expansions to cater for the ever demanding market.



Also in the same year Primo Smallgoods purchased an abattoir at Port Wakefield, South Australia. This is a one species plant, currently killing up to 10,000 pigs per week. In late 1999 a second abattoir was purchased at Scone in the Hunter Valley. This is a single species (beef) abattoir and is the central point of Primo Meats Australia, an ever expanding fresh meat business.

In 1999 a Melbourne facility was purchased to support the expanding growth in Victoria. Ten years later in 2009, Primo Smallgoods acquired the assets of Hans Continental Smallgoods, including certain inventory and equipment located at the Blacktown manufacturing facility.

Within a short period Primo Smallgoods has become a national brand, and the Company is investing heavily into areas of marketing to continue to grow the brand to become a household name.

Still owned and operated by the original shareholders, who have been together for over 35 years in business. The growth of Primo Smallgoods has been nothing short of incredible. Nationally the Company has in excess of 2,000 employees. Primo Smallgoods continues to keep abreast of their competitors with investments in new high tech machinery.



### 3. COVENANT CONTACT OFFICER

Mr. Sanath Nanayakkara, General Manager – Quality Assurance, is responsible for Primo Smallgoods’ commitment to the Australian Packaging Covenant. He reports directly to the Managing Director, Mr. Paul Lederer on all issues relating to the Covenant. This Action Plan has been endorsed by the Mr. Lederer.

Mr. Nanayakkara’s contact details are as follows:

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Chullora, NSW 2190  
Tel: 02 9742 0054  
Email: snanayakkara@primosmallgoods.com.au  
Web: www.primosmallgoods.com.au

#### 3.1 OUR APC TEAM

Primo Smallgoods has carried out a preliminary review of the skills required to meet the requirements of the Australian Packaging Covenant. We have identified the key departments required to have input and will create a team made up of the following individuals or their selected delegates to work on this key project as part of our ongoing efforts to address packaging:

<b>Name:</b>	<b>Responsibility:</b>
Peter Buys	National Procurement Manager
Ken Keyser	General Manager, Sales & Marketing
Shawn Shi	R&D Manager
David Neumann	Efficiency Manager
Sanath Nanayakkara	General Manager – Quality Assurance
Various	Packaging Suppliers

The APC Team is responsible for developing an internal project plan to co-ordinate all tasks required to implement the Action Plan. This list is not exhaustive and individuals may not be involved in all twelve strategies relating to the Sustainable Packaging Guidelines.

This Action Plan is to be followed up by regular meetings of the APC Team where we will continue to address the issues raised throughout this plan. The Team will endeavour to facilitate a timely implementation of the Action Plan and will ensure data is stored in an auditable manner in a centralised APC audit database.



## 4. SCHEDULE FOR PACKAGING REVIEWS

### 4.1 TYPES OF PACKAGING USED

Primary: Top film, bottom film, barrier bags, plastic sheets used in bulk bacon

Secondary: cartons, CB 7 containers

Tertiary: pallet sheets, stretch wrapping

### 4.2 TIMETABLE FOR REVIEW

Review Period:	% of Product Lines Reviewed	
	New	Existing
Year 1	25%	50%
Year 2	50%	100%
Year 3	75%	100%
Year 4	100%	100%
Year 5	100%	100%



## 5. ACTION PLAN

### 5.1 INTRODUCTION

The purpose of the Action Plan is to show how Primo Smallgoods intends to contribute to the achievement of the Covenant's goals and to meet Primo Smallgoods' obligations under the Covenant. The Three main performance goals of the Covenant are:

1. Design - Optimise packaging to use resources efficiently and reduce environmental impact without compromising product quality and safety
2. Recycling - Efficiently collect and recycle packaging
3. Product Stewardship - Demonstrate commitment of all signatories

Earlier in the year Primo Smallgoods stakeholders met with its third party external consultant and participated in a workshop to review the following overarching requirements of the APC:

- Determine Action Plan requirements for Primo Smallgoods.
- Assist in establishing an APC Team
- Provide overview / training for the APC Team
- Develop a project plan for development of the Action Plan
- Develop auditable document and filing system for managing the requirements

As part of this review the stakeholders were taken through a 28 question questionnaire based on APC documentation and attendance at APC Workshops. The results of this review are documented in the following sections and the actions arising from this review are summarised in the Action Plan Table.

### 5.2 DESIGN

#### 5.2.1 COVENANT GOALS

- Review existing procedures for new packaging design or manufacture and integrate with requirements of Sustainable Packaging Guidelines;
- Determine timetable for "packaging review" of existing packaging to meet requirements of Sustainable Packaging Guidelines; and
- Identify and determine targets and actions for Plan.

#### 5.2.2 OUTCOME

The outcome should be packaging designed to:

- Avoid or minimise the use of materials and other resources;
- Optimise recyclability and recycled content; and
- Reduce litter impacts.



### 5.2.3 KEY PERFORMANCE INDICATOR

The Key Performance Indicator for Design will be evidence that Primo Smallgoods is implementing the Sustainable Packaging Guidelines (SPG) for design or manufacture of packaging.

### 5.2.4 CURRENT AND PLANNED ACTIONS

5.2.4.1 Primo Smallgoods does not have a documented policy and procedure for evaluating and procuring packaging using the SPG. However, a policy is in the process of development.

5.2.4.2 The most logical categorisation of **existing** packaging is by types of packaging as set out in section 4.1.

5.2.4.3 Primo Smallgoods does not have a process for developing **new** packaging and relies on the input from packaging suppliers, visits to trade shows, etc.

5.2.4.4 Primo Smallgoods has ISO 9001:2008 accreditation and is externally audited by SAI Global, SGS International, Silliker Microtech, NSW Food Authority and AQIS. We are also in the process of drafting an Environment Policy.

5.2.4.5 Primo Smallgoods will establish a centralized data base for all issues relating to the APC including:

- All decisions and the underlying evidence for those decisions;
- Packaging review reports; and
- An auditable trail for decisions made in relation to the SPG.





## **5.3 RECYCLING**

### *5.3.1 COVENANT GOALS*

- Review and document existing recovery systems;
- Review and document existing Buy Recycled Policies; and
- Identify and determine actions and targets for Plan.

### *5.3.2 OUTCOME*

The outcome should be:

- Improved recovery of recycled materials from the premises of Primo Smallgoods; and
- Increased secondary markets for recovered packaging materials.

### *5.3.3 KEY PERFORMANCE INDICATOR*

The Key Performance Indicator for Recycling will be evidence that Primo Smallgoods is implementing the on-site recovery of packaging through documentation provided from contracted waste managers, and an increase in the level of recycled content in purchases made by Primo Smallgoods.

### *5.3.4 CURRENT AND PLANNED ACTIONS*

*5.3.4.1* Primo Smallgoods' packaging waste reduction goals are to reduce waste, reduce the cost of waste and to be environmentally responsible and it will be necessary to establish baseline data in order to measure this.

*5.3.4.2* There are various coloured bins located around the site for waste and recycling, and employees who are handling waste are trained on which items can be recycled.

*5.3.4.3* Recycling on the site is considered to be a saving.

*5.3.4.4* Product contamination and the use of multilayer structures are seen to be limitations that affect recycling.

*5.3.4.5* Primo Smallgoods does not have a Buy Recycled Policy.



## 5.4 PRODUCT STEWARDSHIP

### 5.4.1 COVENANT GOALS

- Review and document existing Product Stewardship procedures;
- Review existing Supply Contracts for take back;
- Review existing Waste Management contracts; and
- Identify and determine actions and targets for Plan.

### 5.4.2 OUTCOME

The outcome should be:

- To improve the design and recycling of packaging; and
- Reduce the overall level of litter created by packaging.

### 5.4.3 KEY PERFORMANCE INDICATORS

The key performance indicators for product stewardship are;

- Have formalised procedures in place to work with others to improve design and recycling of packaging;
- To engage in other initiatives that show product stewardship such as education, sponsorship of initiatives etc; and
- To reduce the occurrence of litter in their operations and encourage clients to properly dispose of the packaging on products to remove them from the litter stream.

### 5.4.4 CURRENT AND PLANNED ACTIONS

5.4.4.1 Primo Smallgoods does not have any documented policy to review all packaging against the SPG.

5.4.4.2 Primo Smallgoods does not have supply contracts that require take back and recycling of packaging.

5.4.4.3 Primo Smallgoods does not have waste management contracts in place that require collection and recycling of packaging, although this is being done informally.

5.4.4.4 Primo Smallgoods does not have a procurement process in place requiring suppliers to participate in reducing packaging through regular meetings or product reviews.

5.4.4.5 Primo Smallgoods participates in industry or multi stakeholder working groups to address shared issues through its membership to the Australian Meat Industry Council (AMIC).



## 5.5 ACTION PLAN TABLES

\*Please note that the responsibilities for individual Actions will be allocated when the APC Team next meets.

Covenant Performance Goals	Actions	*Responsibility	Timeline	Targets	Evidence
<p>1. Design - optimise packaging to achieve resource efficiency and reduction in quantity required. The design efforts should reduce environmental impact without compromising product quality and safety.</p> <p>KPI 1. Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines for design or procurement of packaging.</p>	Prepare a gap analysis between existing environmental and product development systems / standards and SPG to ensure SPG implementation	APC Team	December 2011	Gap analysis completed	Gap analysis Report
	Establish documented policy and procedure for evaluating and procuring packaging using the SPG and incorporate in Procedures Manual		June 2012	Documented Policy and Procedure completed	Documented Policy and Procedure
	Review all <b>new</b> products using the SPG		Refer 4.2	Refer 4.2	SPG Reviews
	Review all <b>existing</b> products using the SPG		Refer 4.2	Refer 4.2	SPG Reviews
	Establish documented new product development process and incorporate in Procedures Manual		June 2011	Documented new product development process completed	Documented Process
	Establish centralised data base		December 2011	100% compliance by all stakeholders	Centralised data base



Covenant Performance Goals	Actions	*Responsibility	Timeline	Targets	Evidence
2. Recycling – efficiently collect and recycle packaging  KPI 2. Not required by individual signatories.	Review and recommend improved on-site recycling and buy recycled policies	APC Team	December 2011	Review completed	Review Report with recommendations
KPI 3. Proportion of signatories with on-site recovery systems for recycling used packaging.	Establish base line data for on-site waste and recyclable packaging recovery		March 2012	Establish data and agree on targets	Annual Reports
	Formalise employee education programs about recycling and waste reduction		June 2012	Review and implement recommendations	Procedures Manual
KPI 4. Proportion of signatories with a policy to buy products made from recycled packaging.	Develop a Buy Recycled Purchasing Policy and encourage implementation		June 2012	Develop policy and incorporate in Procedures Manual	Procedures Manual
KPI 5. Not required by individual signatories.					



Covenant Performance Goals	Actions	*Responsibility	Timeline	Targets	Evidence	
3. Product Stewardship – demonstrate commitment of all signatories	Review and recommend formal processes for working with others, other product stewardship outcomes for packaging and reducing litter	APC Team	December 2011	Review completed	Review Report with recommendations	
KPI 6. Proportion of signatories that have formal processes for working with others to improve packaging design and recycling.	Formulate a documented policy to review all packaging against the SPG and develop a supplier's questionnaire to assist in answering the questions raised in the SPG.		December 2011	Documented policy and questionnaire completed	Procedures Manual	
	Investigate opportunities to negotiate supply contracts that require take back and recycling of packaging		March 2012	Investigation completed	Investigation Report with recommendations	
	Investigate opportunities to formalize waste management contracts that require collection and recycling of packaging.		March 2012	Investigation completed	Investigation Report with recommendations	
	Put in place a requirement in the procurement process that suppliers have regular meetings or product reviews to reduce packaging		December 2011	Requirement put in place	Procedures Manual	
KPI 7. Proportion of signatories demonstrating other product stewardship outcomes for packaging.	Investigate other product stewardship opportunities		June 2011 – December 2015	A minimum of one new initiative per annum	Annual Reports	
KPI 8. Reduction in the number of packaging items in litter.	Not applicable					