



SNOW BRAND AUSTRALIA PTY LTD



National Packaging Covenant 2006-2007 Action Plan Report

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NPC 2006-2007 Action Plan Report

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EXECUTIVE SUMMARY

Snow Brand Australia Pty Ltd produces Camembert and Brie cheese under the Unicorn Cheese label and has been producing Specialty Cheeses since 1977. The cheeses are produced in Nowra on the South Coast of NSW, and are distributed to the major supermarket chains across Australia and through wholesalers into the food service area.

Snow Brand Australia Pty Ltd became a signatory to the National Packaging Covenant in May 2001 and re-signed the new and strengthened Covenant in May 2006. As a producer of packaged goods Snow Brand Australia Pty Ltd is committed to upholding the principles of the National Packaging Covenant and the 2006-2007 Action Plan Report details the actions and targets that have been undertaken and the results that have been achieved.

- IDAS was provided with the tonnes of packaging by material type by source (local or imported) and the tonnes of packaged product sold. The ratio of product to packaging (by weight) was 7.0:1 which is an improvement of 11% over 2005-2006.
- In 2007 Snow Brand changed its supplier of cardboard packaging and the new supplier has been asked to review all packaging specifications to determine if downsizing or lightweighting is at all possible.
- In 2007 Snow Brand embarked on some major capital projects to recycle chemicals and waste water as well as introducing a dry salting process, which will significantly reduce waste.
- In 2005-2006 Snow Brand started using a smaller truck for weekly deliveries and continues to utilize local transport companies for back loading full loads into transport vehicles that would have normally been returning to the main capital cities empty.

Mrs. Sue Austen, Sales Manager, is responsible for Snow Brand Australia Pty Ltd's commitment to the National Packaging Covenant and reports directly to the General Manager, Mr. Akira Hasegawa on all issues relating to the Covenant. This Action Plan Report has been endorsed by Mr. Hasegawa.

COMPANY OVERVIEW

Snow Brand Australia Pty Ltd (Snow Brand) produces Camembert and Brie cheese under the Unicorn Cheese label and has been producing specialty cheeses since 1977. The cheeses are produced in Nowra, on the South coast of NSW and are distributed to the major supermarket chains across Australia, and through wholesalers into the foodservice area.

Over the years Snow Brand Australia has won many awards under the Unicorn Cheese brand name including numerous Gold, Silver and Bronze at the Sydney Royal Cheese and Dairy Produce Show, the Royal Melbourne Show, the Royal Queensland Show and the DIAA Dairy Products Awards. Unicorn Cheese has also been a three times finalist at the prestigious Grand Dairy Awards.

Snow Brand Australia manufactures its range of products to the highest standards and operates under the HACCP System approved by Safe Foods NSW. Further information can be obtained from the Unicorn Cheese web site at www.unicorncheese.com.au.

PACKAGING COVENANT SIGNATORY COMMITMENTS

Snow Brand became a signatory to the National Packaging Covenant in May 2001 and re-signed the new and strengthened Covenant in May 2006.

As a producer of packaged goods Snow Brand is committed to resource conservation, product stewardship, and the principles of shared responsibility for packaging as outlined in the National Packaging Covenant. The 2006-2007 Action Plan Report details the actions and targets that have been undertaken and the results that have been achieved.

Snow Brand Australia will continue to work with its packaging companies, suppliers, distributors and retail customers to ensure that all the members of its packaging supply chain conform to the requirements of the National Packaging Covenant.

PRODUCT RANGE

All products in the Unicorn Cheese range are Australian made using quality fresh milk from the rich green pastures of the South Coast of New South Wales. Its master cheese makers produce the following traditional and ready to eat style cheeses daily:

Traditional Style Cheeses

Camembert 125g

Camembert 125g is Unicorn's largest selling product, which is a testament to its traditional cheese making methods.

Brie 125g

The most awarded cheese of the Unicorn range. Brie 125g is a soft and creamy brie in a convenient and economical size.

Camembert 200g

Unicorn's Camembert 200g slowly ripens in the traditional style. It has a soft velvet white rind, delicious creamy texture and strong flavour.

Camembert 250g Wedge

The Camembert 250g Wedge was developed as an Every Day Low Price range for Woolworths and Safeway supermarkets nationally, and offers excellent value for money without compromising the outstanding quality of Unicorn's cheeses.

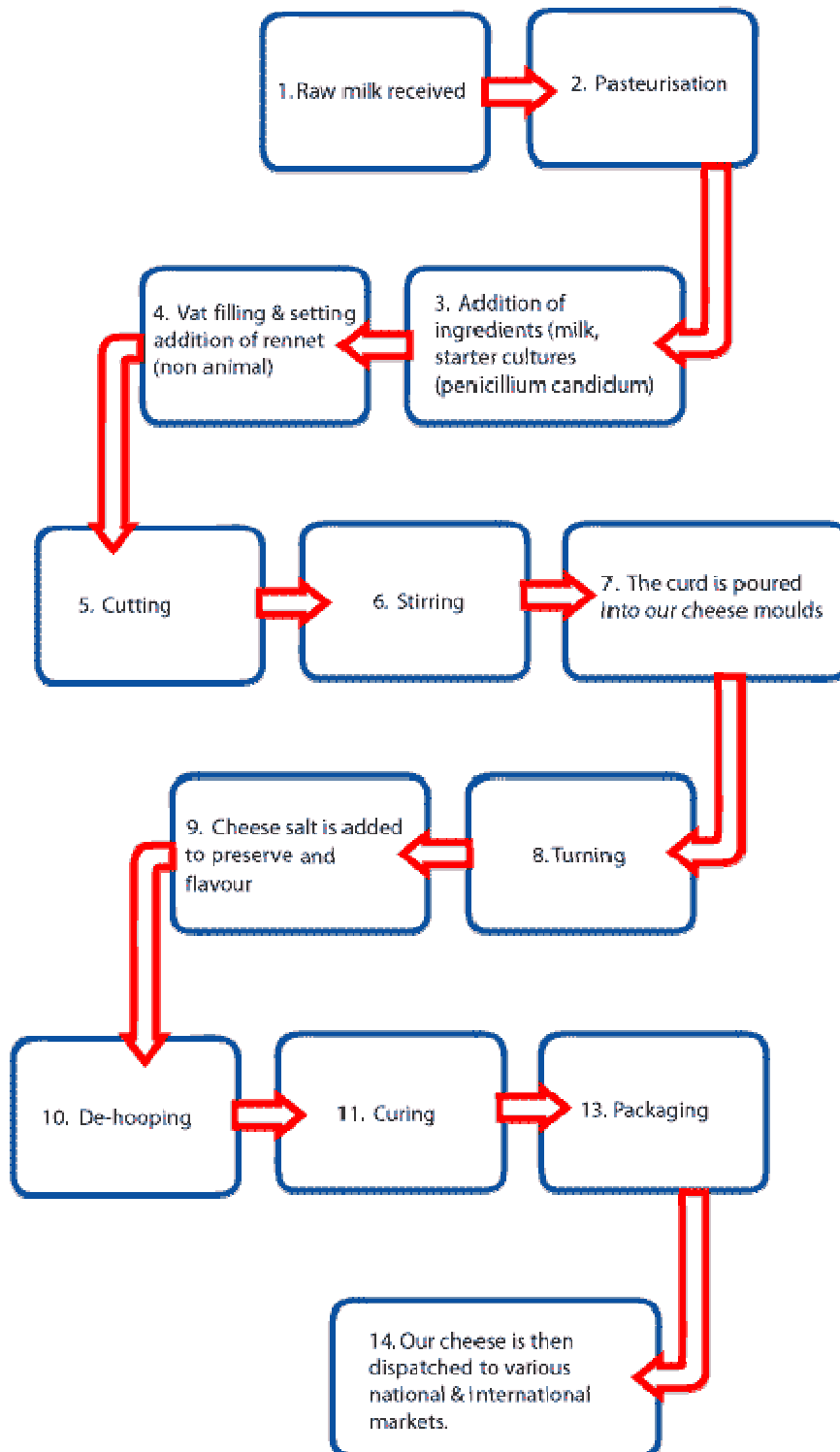
Ready-to-eat Style Cheeses

Brie 200g and 250g

The ready to eat double cream Brie contains additional cream, which helps to create a delicious, creamy flavour.



THE CHEESE MAKING PROCESS



The cheeses are wrapped in filmic/parchment and foil/parchment papers that are specifically designed for white mould cheeses to allow for the breathing and maturation of the cheese. The wrapped cheeses are then placed in retail packs and shippers for dispatch.



Cheese being wrapped by the automatic packaging machine



Cheese being date stamped and boxed into shippers for delivery



Cheese being boxed ready for dispatch



Loading the final product for delivery

PRODUCT STEWARDSHIP

Design

In designing new product packaging, Snow Brand strives primarily for the correct packaging for the cheese. This is to maintain the quality and to protect the cheese in transit. The next is to ensure that the minimum amount of packaging is used and/or the packaging is recyclable. **In 2007 Snow Brand changed its supplier of cardboard packaging and the new supplier has been asked to review all packaging specifications to determine if downsizing or lightweighting is at all possible.**

Production

In August 2001 Snow Brand introduced a new production line into its cheese manufacturing process. The new line not only streamlined the manufacturing process but was also effective in reducing waste. The company also introduced a

wrapping machine in September 2001, which seals the back of cheese wrappers and has eliminated the need for some of the hand wrapping of cheese. In 2007 Snow Brand embarked on some major capital projects to recycle chemicals and waste water as well as introducing a dry salting process, which will significantly reduce waste. In addition the high protein whey produced in the manufacture of the cheese is sent to farms for feeding to calves.

Distribution

Snow Brand Australia is continually monitoring methods of warehousing and the shipping of its cheese. As its product has special refrigeration requirements, it is limited to a select number of transport companies. In 2005-2006 Snow Brand started using a smaller truck for weekly deliveries and utilizes local transport companies for back loading full loads into transport vehicles that would have normally been returning to the main capital cities empty.

Disposal

All staff in the Packaging Room has been notified of the importance of separating the waste paper and cardboard and large bins are available in the packaging area for recycling. In addition the wrapping machine produces a tighter wrap on the cheese and uses less wrapping material. Cardboard and plastic is collected by waste contractors and dairy crates are collected by the milk supplier. All staff has been requested to separate their waste paper and there is now a recycling bin in the office for waste paper and toner cartridges are collected for recycling.

Research

Snow Brand continues to conduct research into alternative packaging solutions for non-recyclable materials. This research is primarily into cheese wrappers, which at present are not recyclable. These papers are specially designed for white mould cheeses, to allow for the breathing and maturation of the cheese.

Market Development

Due to the food grade requirement of the primary packaging used, Snow Brand is not able to use recycled materials. The cheese wraps are discussed under Research above.

Education

Staff awareness of the National Packaging Covenant will be encouraged with information and signage throughout the plant. It is Snow Brand's responsibility to promote the National Packaging Covenant to its suppliers and will encourage them to become signatories with a mail out in the first quarter of 2008. In addition a copy of Snow Brand's 2005-2008 National Packaging Covenant Action Plan will be posted on the Unicorn Cheese web site.

Labeling

All Snow Brand labeling meets legal requirements and the ANZFA regulations. In addition all the retail packs carry the message "***Please Recycle Me!***"

KEY PERFORMANCE INDICATOR ACTIONS, TARGETS AND RESULTS

Snow Brand is a brand owner, a member of the packaging supply chain and as a signatory to the Covenant is committed to supply baseline data and report on ongoing performance data against the following eleven Key Performance Indicator's (KPI's). The numbering system from National Packaging Covenant has been maintained for ease of reference.

Goal 1

Packaging optimized to integrate considerations about resource efficiency, maximum resource utilization, product protection, safety and hygiene.

Key Performance Indicators	Action	2005-2006 Results and 2006-2007 Targets	2006-2007 Results
1. Total weight of consumer packaging (domestic & imported) sold per annum into the Australian market and the total weight of products packaged.	Systems are in place to provide the NPCC ongoing data on the tonnes of packaging type by source purchased (local or imported), tonnes of packaged product sold and the ratio of product to packaging (by weight).	IDAS was provided with the tonnes of packaging by material type by source (local or imported) and the tonnes of packaged product sold. The ratio of product to packaging (by weight) was 6.3:1	IDAS was provided with the tonnes of packaging by material type by source (local or imported) and the tonnes of packaged product sold. The ratio of product to packaging (by weight) was 7.0:1 which is an improvement of 11%.
3. Improvements in design, manufacture, marketing and distribution to minimize the environmental impacts of packaging.	As previously reported in the 2004-2005 Action Plan Report the opportunities to improve the design, manufacture and marketing of Snow Brand products to minimize the environmental impacts of packaging are limited. However the transportation to minimize the number of trucks on the road for the carrying of goods will be investigated.	Snow Brand continues to conduct research into alternative packaging solutions for non-recyclable materials. A new cheese wrap is being trialed and the results of these trials will be reported in the 2006-2007 Action Plan Report. During 2005-2006 a smaller truck has been used for weekly deliveries and a local transport company has been utilized for back loading full loads into transport vehicles that would have normally been returning to the main capital cities empty. This has significantly reduced the number of trucks on the road delivering Unicorn Cheese products.	The trials with the new cheese wrap were unsuccessful. In 2007 Snow Brand changed its supplier of cardboard packaging and the new supplier has been asked to review all packaging specifications to determine if downsizing or lightweighting is at all possible. The results of these investigations will be reported in the 2007-2008 Action Plan Report.
4. Changes to protection, hygiene, shelf-life or supply chain considerations affecting amount and type of packaging used.	Snow Brand has been requested to provide an 8 unit shelf ready pack by one of the major retailers. This replaces a 12 pack carton.	The quantitative affect of this request is still being assessed and the results will be incorporated into the 2006-2007 Action Plan Report.	It is still too early to determine the impact of this development as it continues to be only one product for one retailer. Any major changes will be reported in the 2007-2008 Action Plan Report.
6. Total weight, by type, of "non-recyclable" consumer packaging sold per annum into the Australian market.	This information will be derived from KPI 1.	IDAS was provided with the tonnage of "non-recyclable" packaging purchased by material type and total. The percentage of "non-	IDAS was provided with the tonnage of "non-recyclable" packaging purchased by material type and total. The percentage of "non-

		recyclable ¹ packaging to the total of packaging purchased was 12.95%.	recyclable ¹ packaging to the total of packaging purchased was 20.8%. This would indicate a reduction in the secondary and tertiary cardboard packaging in relation to the composite primary packaging and will be reviewed at the next Quarterly Meeting.
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Goal 2

Efficient resource recovery systems for consumer packaging and paper.

Key Performance Indicators	Action	2005-2006 Results and 2006-2007 Targets	2006-2007 Results
16. Percentage of signatories providing recycling collection facilities for post-consumer packaging generated on-site.	Recycling facilities are provided in both the factory and lunch room.	Bins for paper and metal are provided in the lunch room and a bulk recycling bin is provided in the factory.	

Goal 4

Supply chain members and other signatories able to demonstrate how their actions contribute to Goals 1 and 2 above.

Key Performance Indicators	Action	2005-2005 Results and 2006-2007 Targets	2006-2007 Results
21. Estimated tonnage of consumer packaging sent (a) for recycling and (b) to landfill from on-site collection facilities.	The amount of consumer packaging from on-site collection which is sent for recycling and sent to landfill will be provided by the recycler contracted by Snow Brand.	IDAS was provided with the amounts of packaging from on-site collection which is sent for recycling (34%) and sent to landfill (66%).	As a result of the appointment of new waste contractors this information is incomplete and will be reported on in the 2007-2008 Action Plan Report.
22. Number of signatories who have formally adopted the EcoPP and developed systems for its implementation.	Provision has been made to incorporate the EcoPP into future supply agreements and suppliers and trade partners will be audited to ensure that they are signatories to the NPC.	An ECoPP checklist has been developed and is being incorporated into supply agreements.	As previously reported Snow Brand has appointed a new carton supplier and the ECoPP checklist will be tested out on them and the results reported in the 2007-2008 Action Plan Report.
26. Implementation of Buy Recycled purchasing policy or practices.	Provision has been made to incorporate a Buy Recycled purchasing policy into future supply agreements.	A Buy Recycled policy has been developed and is being incorporated into supply agreements.	This is extremely difficult for a relatively small manufacturer in rural New South Wales, but every effort will be made to purchase recycled products assuming that they are commercially competitive and fit for use.

Goal 5

All Signatories demonstrate continuous improvements in their management of packaging through their individual Action Plans and annual Reports.

Key Performance Indicators	Action	2005-2006 Results and 2006-2007 Targets	Results
27. Establishment of baseline performance data.	Systems are in place to collect the required indicative baseline data, including qualifiers and assumptions.	Baseline data was collected and will be reviewed for potential improvements and achievements in 2006-2007	Achieved.
28. Annual Reporting against Action Plan.	Snow Brand will prepare an annual Report in each year of the Action Plan to report progress against baseline data, individual Action Plan commitments, targets and timelines.	Unfortunately Snow Brand was unable to meet the October 31 deadline in 2006, but every effort will be made to comply with this requirement in the future.	Snow Brand failed to meet the October 31 deadline in 2007 but will aim to remedy this by introducing Quarterly Review Meetings.
29. Demonstrated improvement and achievements against individual targets and milestones.	Snow Brand will regularly review progress against individual targets and milestones and implement any actions as required to achieve continuous improvement and performance.	An annual Report will be prepared and submitted by 31 October each year from 2007 incorporating improvements and achievements against individual targets and milestones.	

NPC CONTACT

Mrs. Sue Austen, Sales Manager, is responsible for Snow Brand Australia Pty Ltd's commitment to the National Packaging Covenant and reports directly to the General Manager, Mr. Akira Hasegawa on all issues relating to the Covenant. This Action Plan Report has been endorsed by Mr. Hasegawa.

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