

Huhtamaki New Zealand Limited

Auckland Pilot EnviroSmart® Programme Achievements

Huhtamaki New Zealand Limited joined the Auckland EnviroSmart® pilot programme, in 2004, to achieve a number of environmental objectives.

The two-year programme provided assistance to businesses to improve their environmental performance by reducing solid waste, using energy, water and raw materials efficiently, and purchasing environmentally sound products and services, as well as achieving environmental certification to the Enviro-Mark® NZ Gold level.

Key achievements

- 14% reduction in waste solvent, ink and adhesives removed from site for recycling
- Savings of \$500,000 in raw materials in a year
- 7% savings in machine waste
- Gained Enviro-Mark® NZ Gold certification

About the business

Huhtamaki is an international packaging manufacturer which has three plants in New Zealand. The company makes a wide variety of products, and specialises in using paper, plastic, film and moulded fibre. Huhtamaki's site which joined the programme is in New Lynn, manufactures flexible food packaging and employs 225 people. For more information about the business see www.huhtamaki.com

Huhtamaki did not have a strong focus on environmental management before entering the programme. However the programme proved a timely opportunity as the pressure for improved environmental performance was increasing from the parent company, shareholders and customers, and from other drivers such as the Packaging Accord.

Programme achievements

Resource efficiency

- \$500,000 savings in raw materials in a year, and more savings expected through continuous improvement projects and through making changes to machinery to improve product quality.
- Using solvents better has reduced emissions by 9% for each hour the plant is running. Some imported film has been replaced by film manufactured on site, reducing import costs and associated wastes, and some lamination is now done with one film rather than two.
- The amount of waste solvent, ink and adhesives for recycling and landfill has been reduced by 14%. This is due to a partnership with the ink supplier and a new ink dispenser, able to rework and reformulate returned inks.
- A 25% saving was made in the use of white ink for one major customer over one year.

Waste reduction

- By looking at the inventory, improvements were made to avoid under runs and waste-producing short runs to make up numbers; inventory accuracy resulted in a 6.6% reduction in waste to landfill and significant savings.



*Warwick Hay, General Manager
Huhtamaki New Lynn*

- A new computer system has allowed Huhtamaki to shift from mass balance waste calculations to actual waste measurement by process. The top 10 waste-producing jobs were identified and objectives then set for each one.
- In one job, 7% machine waste savings were achieved and in another material process waste in duplex and triplex laminations was reduced by moving product scheduled for in-line lamination to out of line lamination.

Suppliers and contractors

- The Supply Chain department has prepared scorecards on its top five suppliers. These scorecards cover environmental factors, eg, suppliers must have an environmental policy. Ink use was reviewed and a change in supplier made to achieve more efficiencies.

Best practice

- Huhtamaki has also set objectives for community involvement. A school programme on plastics and the environment is underway and the company is getting involved in a number of community environmental projects.
- The company can now provide customers with biodegradable plastics.

Other benefits

- The programme provided Huhtamaki with the means to work through compliance, benchmarking and continuous improvement for environmental management, and a sound basis for moving towards ISO 14001.
- The company feels confident that its products are being manufactured in a way that considers the life cycle of the product and the environment.

Challenges

- The investigation into existing ways of doing things and introducing new work practices to achieve efficiencies meant some "change management" issues as employees had to alter and adapt to the changes.
- Getting measurements when measurement systems were lacking.
- Gaining understanding that an environmental management system was not about being a "greenie" but was nitty gritty work that could benefit the company not least by cost savings.
- The generation of wastes and costs as new equipment and processes went through "teething" problems – but short-term.
- Meeting compliance requirements of local and regional councils.
- The programme champion spent three to four days a month on the programme.

The future

Huhtamaki has reviewed its cylinder engraving and benchmarked this against group standards in order to reduce ink and solvent consumption. Its aim is to reduce consumption by 15%. The company intends to pursue Enviro-Mark certification to Platinum level as further help to get to ISO 14001 and to show customers and others its continued commitment to environmental improvement.

Advice for others

"Ensure your company's senior management team is behind the project and get objectives put into people's performance programmes; that means there is a good possibility things will get done," says programme champion Justine Alderson. "Ask your programme provider for names of people you need to speak to at councils and work with them from the beginning. And hang in there – it's surprising what you achieve."

If you would like more information about the programme, please see www.envirosmart.co.nz



This programme was sponsored by North Shore City Council, Auckland City Council, Waitakere City Council, Manukau City Council, Papakura District Council, Auckland Regional Council, Landcare Research and the Ministry for the Environment.