

NATIONAL RESTAURANT ASSOCIATION



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Food Waste Reduction Alliance

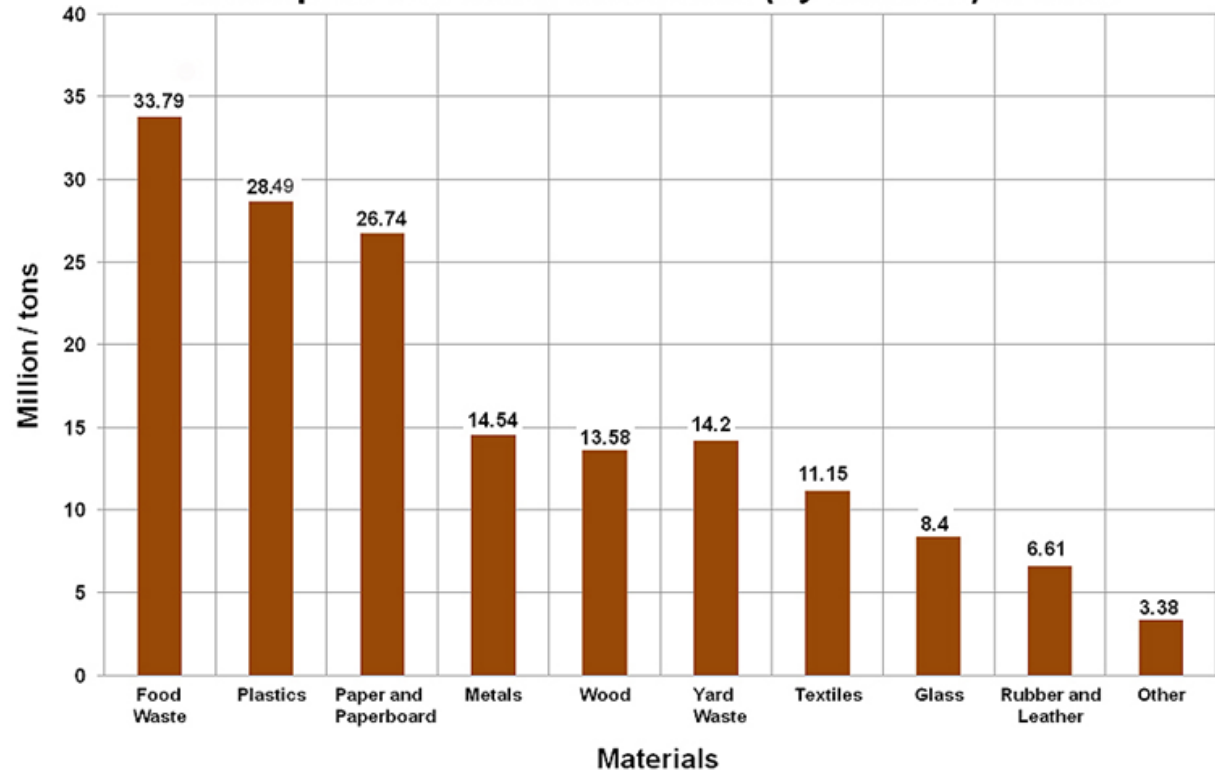
**Laura Abshire, Director of Sustainability Policy
Metropolitan Washington Council of Governments
September 19, 2013**

What is Food Waste?

Any solid or liquid food substance, raw or cooked, which is discarded, or intended or required to be discarded

Food Wastes are the organic residues generated by the processing, handling, storage, sale, preparation, cooking, and serving of foods

Municipal Solid Waste Discarded (by material) in 2010



Food Waste Reduction Alliance



- 3 year initiative and partnership between:
- Grocery Manufacturers Association (GMA)
 - Food Marketing Institute (FMI)
 - National Restaurant Association (NRA)



Goals of the FWRA

REDUCE

Food loss that can be prevented

REUSE

Divert good food to food banks

RECYCLE

Unavoidable food waste that can't be reused (compost, animals, energy)

FWRA Accomplishments

- Proactively brought three major food associations together to help solve this emerging issue
- Tier 1 Report – Comparative assessment of all existing data
- Tier 2 Report – A current assessment of food waste from Manufacturers, Retailers and Wholesalers
- Best Practices & Case Studies Report – to be released next month
- Communication and cooperation with solution providers, other associations, and media to showcase our efforts
- Engaging with government agencies

FWRA Strategy



**Assess
State of Industry,
Opportunities
Barriers**



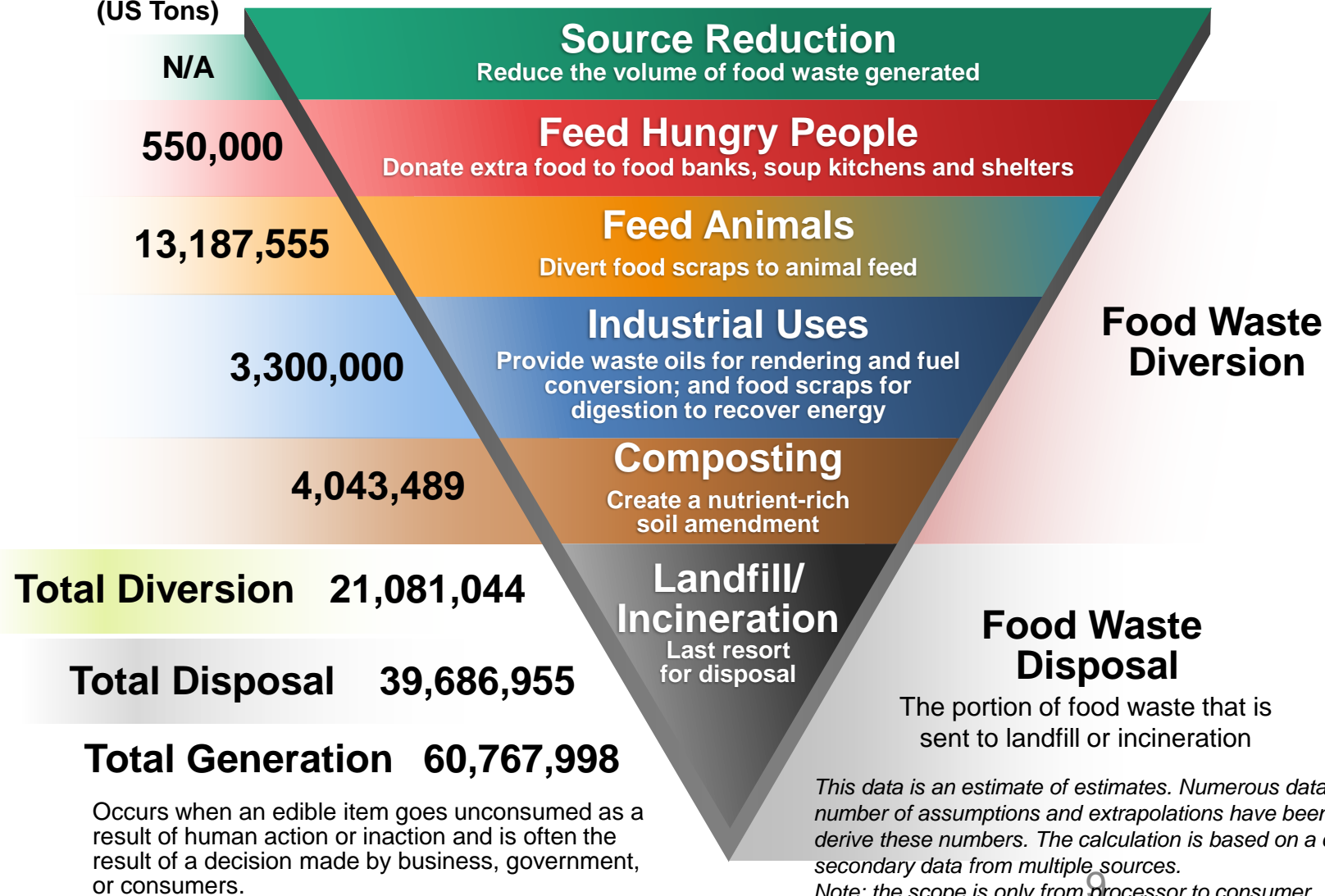
**Identify and Share
Best Practices
And Emerging
Solutions**



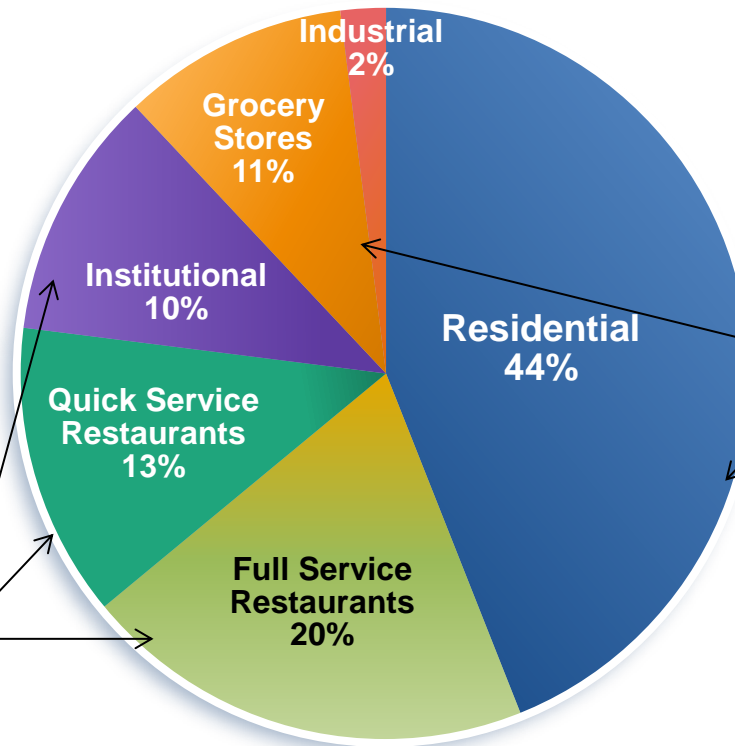
**Work With All
Stakeholders on
Solutions**

Food Waste Recovery Hierarchy

Food Weight
(US Tons)



Tier 1: Total Food Waste Disposed by Sector



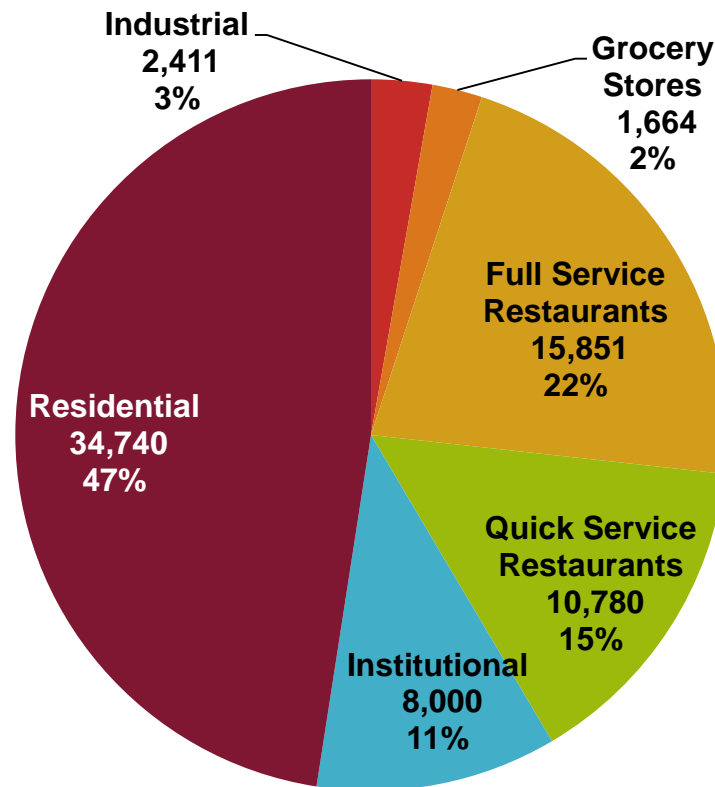
Consumer Goods

Plate Waste
Damage
Expired/Spoiled
Obsolete

Foodservice
Plate Waste
Over Prep
Expired/Spoiled



Tier 2 food waste disposed by sector with Industrial and Grocery Stores updated



Combined restaurants from
Tier 1 = 26.6 billion pounds

The Tier 1 data is illustrative but limited as a numerous data gaps exist and a number of assumptions and extrapolations have been made in order to derive this estimation.

All of Tier 1 data is based on a combination of secondary data from multiple sources

Tier 2 Survey Results!

Survey goal: To better understand how much food is donated, how much food is diverted for other uses, and how much food waste is disposed of.

Manufacturing Sector

- 13 survey respondents
 - \$122B in annual sales
 - 260,000 employees
- Represent 17% of the industry by revenue¹

Retail & Wholesale Sectors

- 13 survey respondents
 - \$245B in annual sales
 - 980,000 employees
- Represent 30% of the industry by revenue²

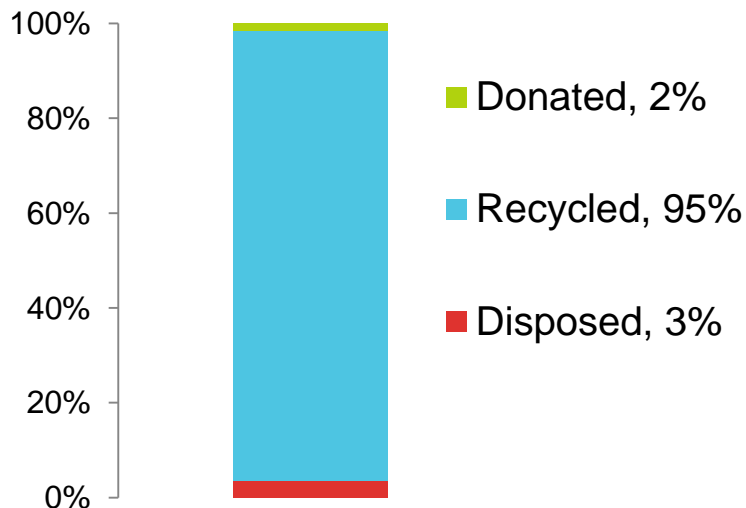
¹ based on 2010 US food & beverage manufacturing revenue of \$739B (source: Census Bureau, Annual Survey of Manufacturers)

² based on 2010 US grocery retail revenue of \$698B (source: Progressive Grocer) and 2009 US grocery wholesale revenue of \$107B (source: IBIS World)

The Destination of Food Waste

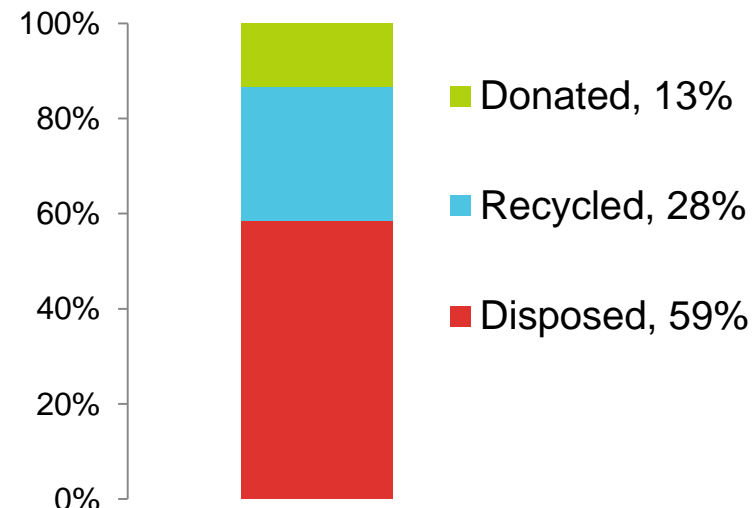
Manufacturing Sector

- Smaller number of locations
- Relatively few products per location
- Large amount of semi-finished products



Retail Sector

- Large number of locations
- Highly diverse product mix
- Greater proportion of packaged food

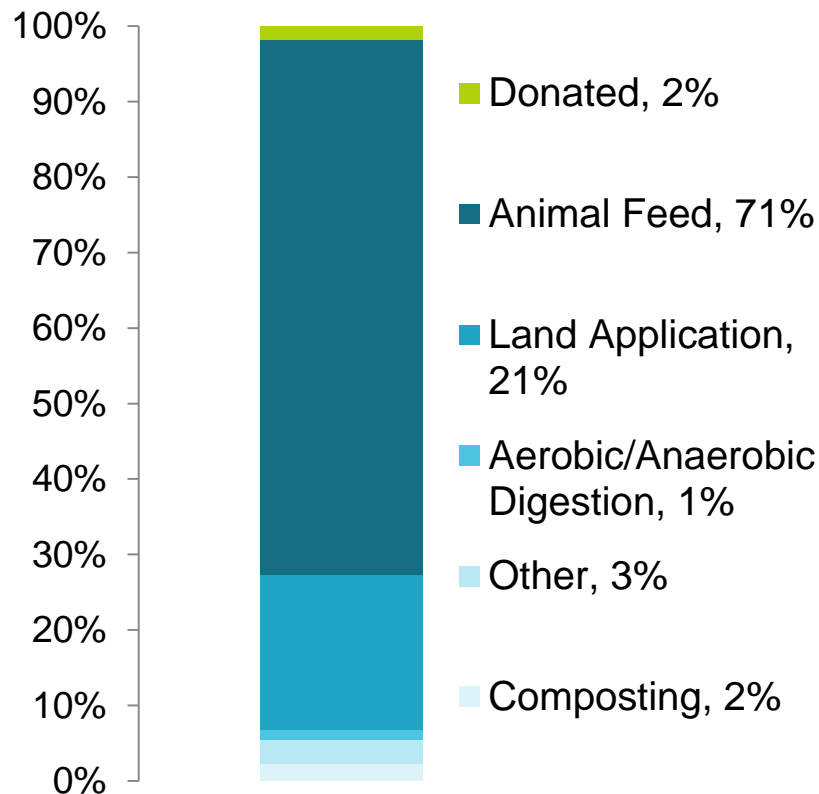


By volume, the total amount of waste sent to landfill by both sectors is in the same range. 13

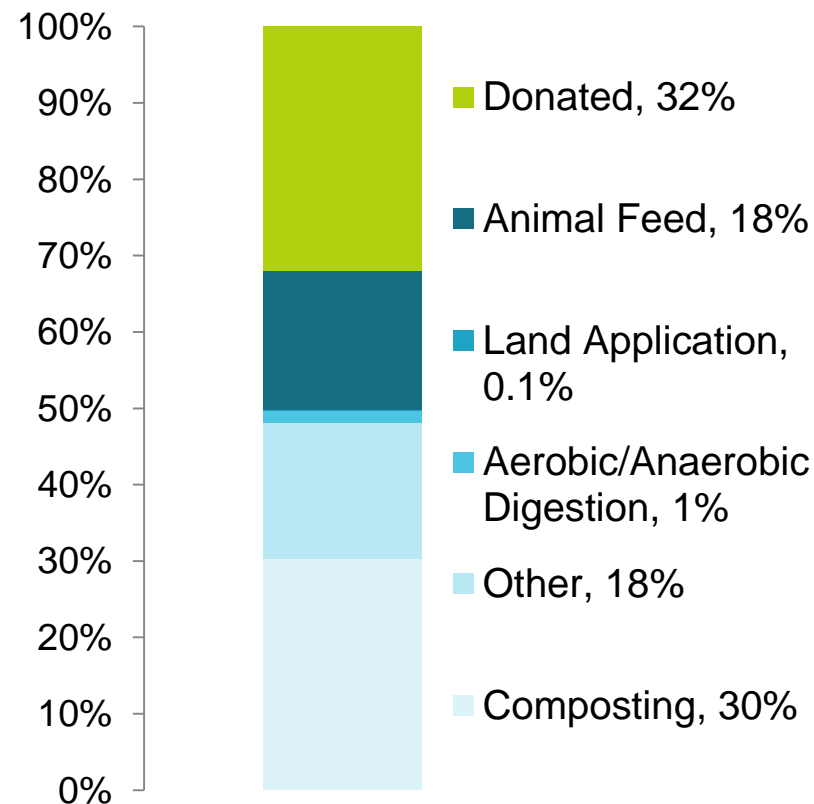
Destination of Food Waste Diverted from Landfill

(As a percentage of total food waste diverted)

Manufacturing Sector



Retail Sector



NRA Assessment

This survey will help the alliance work towards its goals of reducing the amount of food waste sent to landfills and increasing the amount of unsaleable food donated to food banks.

We plan to release the survey to operators and ask them to complete it early next year. The results will then be compiled and released in a FWRA report next year.

Restaurants participation in this survey is critical to the success of the initiative. By answering the survey, operators will:

- Help to overcome barriers restaurants face when reducing food waste
- Feed more hungry people
- Improve the environment
- Increase additional recovery options
- Help their business save money and become more efficient

Barriers to donation of food across sectors

Storage and Transportation: Insufficient space/refrigeration at food banks, lack of refrigerated trucks and drivers, and justifying cost of transportation and/or onsite holding areas.

Liability and Food Safety: Ability to donate mis-formulated and semi-finished products, chain of custody in case of recall, and concerns despite Good Samaritan protection.

Regulatory Policy: Good food past saleable date, limitations on what food banks will accept, inability to donate private label items without customer approval.

Financial: Decisions to limit write-off expenses at fiscal year-end , justification of Fair Market Value for unconventional donations, and tax deduction risks.

Behavioral and Internal Policy: Company policies, Employee education, Internal resistance to change.

Barriers to reuse/recycling of food across sectors

Storage and Transportation: Lack of onsite storage space, lack of nearby recycling options, and limited number and availability of food waste haulers

Liability: Risks from downstream misuse of food waste, concerns over chain of custody of materials, and partner and customer safety policies taking precedence

Food Safety: Employee work conditions and their overall health, safety of reworking products for human consumption, and safety of food for animal consumption

Financial: Justifying cost of transportation and/or onsite holding areas, high price of machines to separate food waste from packaging, and tipping fees not significantly offset by the costs of diversion

Behavioral and Internal Policy: Company policies and employee education

Top 3 Best Practices

- Conduct waste characterization assessment - what resources are being wasted and what are the root causes (policy, process, practices).
- Establish SOP's related to donations and diversion - clear process and procedures for food safety, quality and quantity.
- Develop/Strengthen relationships with donation agencies & diversion partners - move beyond transactions to collaborations (solutions for non traditional material streams).

Collaboration + Innovation = Success

Industry:

- Raise awareness across industries
- Build partnerships to ensure efficient use of limited resources
- Focus our efforts in order to drive progress – manage/measure/reduce
- Engage all stakeholders

All Stakeholders:

- There can be no sustainable solution without everyone's participation
- Raise awareness among government agencies, NGO's and others
- Implement creative new networks and infrastructure for meaningful change

QUESTIONS?

Laura Abshire

- labshire@restaurant.org
- <http://www.foodwastealliance.org/>