

Green Grades 2009

A Report Card on the Paper Practices of the Office Supply Sector

SUMMARY OF UNITED STATIONERS

The ForestEthics and Dogwood Alliance Office Sector Scorecard assign grades for the forest-related environmental performance of corporate paper sourcing in the following areas:

- 1) Chain of Custody Systems**
- 2) Endangered Forests**
- 3) Plantation Conversion and Other Controversial Sources**
- 4) Sustainable Forestry**
- 5) Recycled and Reduction**
- 6) Climate and Forests**
- 7) Other Forest Ecosystem Conservation Leadership**

Scope of survey: all office and marketing papers bought and sold by the company, including office papers used for internal operations.

In December, 2008, a questionnaire was mailed to companies that were selected to be included in the 2009 ForestEthics and Dogwood Alliance Office Sector Scorecard. United Stationers agreed to actively participate in the evaluation process. The following summary of the company's policies and performance are based on information collected from their responses to the questionnaire, additional communications between the company and ForestEthics and Dogwood Alliance, and additional independent research conducted by ForestEthics and Dogwood Alliance. United Stationers has been mostly transparent with ForestEthics and Dogwood Alliance with regards to their marketing papers and their Universal branded office paper products; however no information on other papers has been provided by the company, leaving significant questions about their origins.

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United Stationers' Environmental Performance in Seven Crucial Forest-Related Categories:

CHAIN OF CUSTODY: United Stationers Supply Company has implemented a new paper procurement policy as of June, 2009. The new policy contains many important elements that, depending on their implementation, should create a robust CoC system. The policy mandates a survey for all of their paper suppliers to determine the forest of origin for all products purchased and sold. Additionally the policy mandates education and training of relevant employees about the new policy and chain of custody system.

This new policy should be a large improvement over their previous system. The company also indicated they already “have ongoing conversations about their sustainability initiatives” with their suppliers, and conduct “annual reviews”—including of suppliers’ “sustainability practices” and certifications—to determine whether to continue distributing their products. According to United Stationers, these conversations included topics such as “chain-of-custody, availability of products with FSC and other certifications, and post-consumer recycled content.” These are good steps and it will be important that they both continue and improve under their new CoC system. The company noted that these discussions have taken place with 100% of their suppliers.

ENDANGERED FORESTS: In 1998, United Stationers wrote a letter to the Coastal Rainforest Coalition committing the company to the following steps, among others:

- To not purchase products that derive from any companies engaged in logging of ancient forests.
- To give preference to recycled products, and products certified by the Forest Stewardship Council from secondary forests

While this letter represents important early leadership in the office supply sector, United Stationers does not appear to have always followed through on the commitment. However, the company’s new policy renews the commitment, and improves and broadens their definition of Endangered Forests to include “forests that comprise habitat of threatened, endangered, or imperiled species.”

Equally important, United Stationers has already taken action to implement its new policy, by working with one of its suppliers to secure an agreement that the supplier will no longer source fiber from Asia Pulp and Paper for any of its products. We are optimistic that the United Stationers will follow up by reviewing its supply chain more broadly, and taking action to address other likely sources of Endangered Forest fiber in its product line.

These likely sources of Endangered Forest fiber include papers from the following controversial mills:

International Falls Mill, Boise, International Falls, MN: The company sells multiple products sourced from this mill. This mill sources pulp from the AbitibiBowater Fort Frances pulp mill in Ontario. The Fort Frances mill sources fiber from caribou habitat and other endangered forests in the Canadian Boreal in Northern Ontario.

Various mills, International Paper: The company sells Hammermill and other major brand papers manufactured by International Paper (IP), a company known for sourcing from endangered forests and other controversial practices in the U.S. Southeast¹. These papers are produced at IP’s Courtland, Alabama mill, among other facilities; the Courtland mill fiber footprint extends into endangered forests on the Southern Cumberland Plateau.

Bucksport Mill, Verso, Bucksport, ME: This mill sources fiber from SFK Pulp in St. Feliçien, Quebec. The pulp mill is controversial for its sourcing from caribou habitat, intact forests, and other endangered areas in the Canadian Boreal forest.

PLANTATIONS AND OTHER CONTROVERSIAL SOURCES: The new paper procurement policy from United Stationers Supply Company contains a provision in it that specifically states that it will “reduce” its purchases “where practicable” from “tree plantations established after 1994 from the conversion or simplification of natural forests” or from “companies that are converting forests to plantations and/or non-forest uses.” While we would ideally hope for a less equivocal commitment, this still represents a position that puts them near the front of the office supply industry. We hope that this position will lead them to begin addressing their current sources of fiber that originate from these controversial plantations sources.

¹ International Paper’s Southern Presence. Dogwood Alliance. <http://www.dogwoodalliance.org/content/view/38/94/>

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As noted above, those sources include two major brands of paper produced by International Paper, which procures fiber from converted plantations and additionally plans to convert much of its own remaining forests to development.²

United Stationers has begun to take action to address one of their most controversial sources of paper. Asia Pulp & Paper (APP) is a paper producer known to engage in controversial forestry practices, including large scale conversion of forests to plantations, illegal logging, and the destruction of native forest that is home to endangered and imperiled species. United Stationers engaged the suppliers (Rediform and Franklin Covey) which led to the suppliers committing to not source fiber from APP. This action, if implemented, will have a beneficial effect across the entire office supply sector.

United Stationers is also engaging other suppliers that are engaging in plantation conversion. This is an excellent first step and we are hopeful that real change results.

RESPONSIBLE FORESTRY/FSC CERTIFICATION: In its 1998 letter to the Coastal Rainforest Coalition, United Stationers committed to “give preference to ... products [that are] certified Forest Stewardship Council.” This constitutes one of the earliest FSC preferences in the office supply sector. To our knowledge this commitment has not been fulfilled. However, in its survey response, the company expressed a commendable goal of increasing FSC fiber content in its marketing papers to 50% by the 3rd quarter of 2009.

The new paper procurement policy does not contain an explicit preference for FSC certification. Instead it places FSC on par with inferior certification systems that “certify” business as usual logging practices. However, they also state that their “preference is to utilize the most credible means of sourcing products from forests independently verified as being environmentally and socially well-managed.” If properly interpreted and implemented, this latter statement should translate into a preference for the FSC, and we hope this will indeed be the outcome.

The company has stated that they will seek FSC chain of custody certification for their own branded papers. While this is an important first step, additional goals need to be set regarding actual minimum FSC fiber content in their branded papers.

RECYCLING AND REDUCTION: While United Stationers' 1998 letter states a preference for “recycled fiber” and alternative fiber papers, the company does not yet have a robust preference for papers containing significant percentages of post-consumer recycled fiber. Currently, a mere estimated 3% by volume of all house branded cut sheet paper sold by the company is made from post-consumer recycled fiber. However 65% of all Universal Brand products, as counted by SKU, contain some amount of recycled fiber. Recycled content in the company's marketing papers currently accounts for less than 1% of the total. The company has expressed a more robust goal of ensuring that all paper used internally by the company contains 30% PCR fiber. This goal should also be extended to other papers in the company's supply chain. United Stationers Supply Company states that they will begin setting PCR targets for various types of the paper that they carry.

The company's 2009 paper procurement policy does contain a commitment to reduce paper consumption. It states that the company will “continually seek to reduce our per-employee and/or per-unit-of-production consumption of paper, and encourage our customers to do the same.” The company has also indicated it has a goal to reduce marketing paper consumption by 20% in 2009, and is on track to reach this goal, as part of an initiative to shift its paper marketing materials to an online electronic format to save paper and costs.

CLIMATE AND FORESTS: To our knowledge, United Stationers has not yet taken actions to reduce its forest products related greenhouse gas footprint, beyond the recycled content and paper use goals stated above, nor does the company yet have a policy level commitment to give preference to low greenhouse gas papers. The new paper procurement policy does however state that they will “support initiatives to address climate change by reducing... greenhouse gas emissions where practicable and by recognizing initiatives to reduce global deforestation and restore lost native ecosystems.” This is a step in the right direction.

² International Paper's Southern Presence. Dogwood Alliance. <http://www.dogwoodalliance.org/content/view/38/94/>

