

Derek Smith & Associates

CONSULTANTS IN PAPER AND THE ENVIRONMENT

The explosion of interest in environmental responsibility has led many of the top corporations in the United States to look closely at their suppliers and to begin the process of establishing environmental criteria for their suppliers to meet.

The most obvious recent example of this was the lead paint used in toy production which caused Mattel toys so many problems. This is of course not the only example. The rise in imports of Chinese made goods particularly has been little short of phenomenal and the printing industry is no exception. Since 1997 the amount of printed paper imported into the United States from China has grown to a level of \$1.6 billion per annum from zero, and this shows no signs of abating in spite of the recent downward trend of the dollar. It is important to note that about 60% of this figure is ascribed to the import of books for children. It seems likely that as the dollar begins to strengthen again the potential for Chinese imports of printed material, particularly paper will expand rapidly.

On the surface, global trade is highly desirable and the establishment of China as a market for American goods must be seen in the same light. However environmental issues are beginning to seriously influence thinking in the American consumer market and there are many indicators which would suggest that this trend will not only grow significantly but will become entrenched. For many people it is ironic that the United States has been amongst world leaders in environmental reform in both the paper and printing industries during the last 50 years and that typically our printers and paper makers perform at the highest international standards of environmental responsibility. These laws were laid down by Federal and state legislation to protect us from the dangers of products which are prepared without concern for the environmental consequences. These days it seems that we are paying a heavy price for that responsibility.

The extraordinary growth of China and other southeast Asian economies has meant that the United States, the most attractive market in the world, has become a prime target for a wide range of new exporters and products.

We do not have legislation to prevent the import of environmentally high risk goods into our society – perhaps we should. We have to rely on the market to protect our children and ourselves. All too often the attraction of lower prices has enabled some international suppliers to find foothold in the United States with goods that are prepared with too little regard for standards of environmental protection. The consequences are that paper Mills and printers are put at a serious disadvantage through no fault of their own. The fact is of course that those 'cheap' goods made without regard for our

environmental standards have a higher cost to our society that far outweighs any savings in price which might have been gained at the point of purchase.

In paper and print we cannot afford to buy products which do not carry international certifications of environmental responsibility. The loss of jobs the closure of business and the potential environmental damage to our societies and to our children is simply too great.

The simple answer- check your supplier and see if their environmental record meets our standards.

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