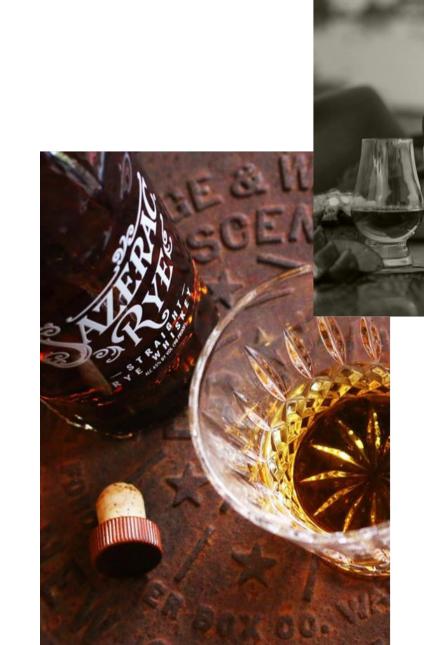
#### SPECIAL JOINT LEGISLATIVE COMMISSION TO STUDY AND PROVIDE RECOMMENDATIONS TO PROTECT THE ENVIRONMENT AND NATURAL RESOURCES FROM PLASTIC BOTTLE WASTE

Kellie Duhr, Vice President of Government Affairs, Sazerac January 22, 2023

## SAZERAC

As a family-owned company, our culture is built on a strong foundation of integrity, trust, ethics and values.

Our 5,000+ team members work diligently to bring our brands to consumers around the world.



#### What is a **standard drink**?

12 fl oz of regular beer



about 5% alcohol

8-9 fl oz of malt liquor (shown in 12 oz glass)



about 7% alcohol

5 oz of table wine



about 12% alcohol

1.5 fl oz shot of 80-proof spirits (whiskey, gin, rum, vodka, tequila, etc.)

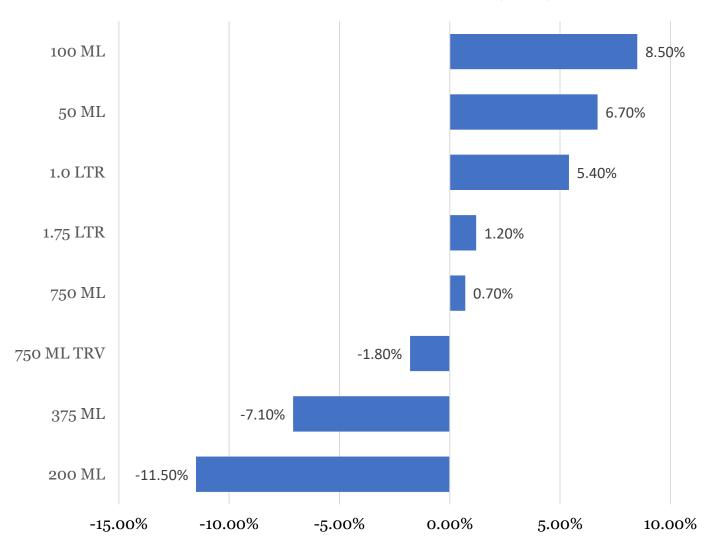


about 40% alcohol

Each beverage portrayed above represents one standard drink of "pure" alcohol, defined in the United States as 0.6 fl oz or 14 grams. The percent of pure alcohol, expressed as alcohol by volume (alc/vol), varies within and across beverage types. Although the standard drink amounts are helpful for following health guidelines, they may not reflect customary serving sizes.

#### Control Northeast \$\$ % CHG (ME,NH,VT)

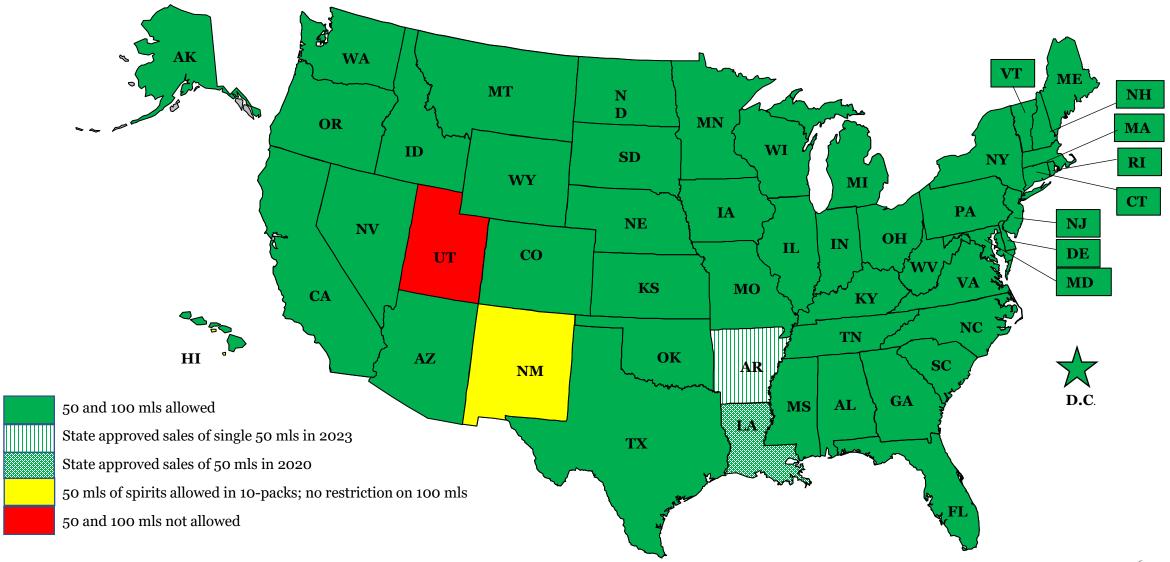
# Small Format Continues to Lead Dollar Growth Across NE Control States



## TTB Standards of Fill

- 1.8 Liters.
- 1.75 Liters.
- 1 Liter.
- 900 mL.
- 750 mL.
- 720 mL.
- 700 mL.
- 375 mL.
- 200 mL.
- 100 mL.
- 50 mL.

#### Portion Control Sizes Available in 49 of 50 States



#### Massachusetts Bans

Bans Defeated	Year
Winthrop	2018
Bridgewater	2021
Framington	
Halifax	
Norwell	
Plainville	
Revere	
Attleboro	2022
Mansfield	
Pittsfield	
Grafton	2023
Greenfield	
Mattapoisett	
Wellfleet	
Whitman	
Plymouth	2024

Bans Enacted	Year
Chelsea	2018
Mashpee	2021
Newton	
Wareham	
Brookline	2022
Nantucket	
Brewster	2023
Fairhave	
New Bedford	

## 2018 Chelsea Ban Increased 50 and 100 ml Sales in Surrounding Communities

63.9%

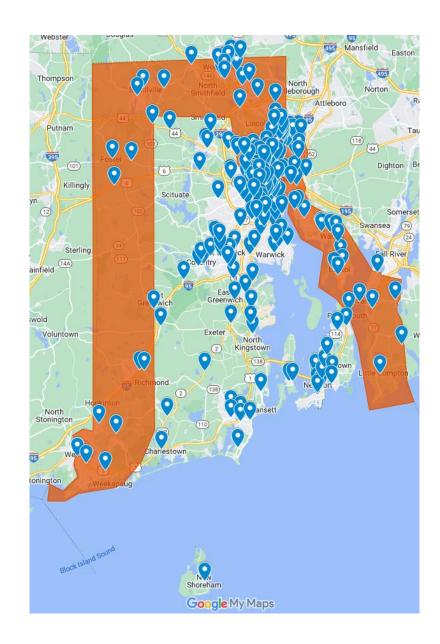
25.8%

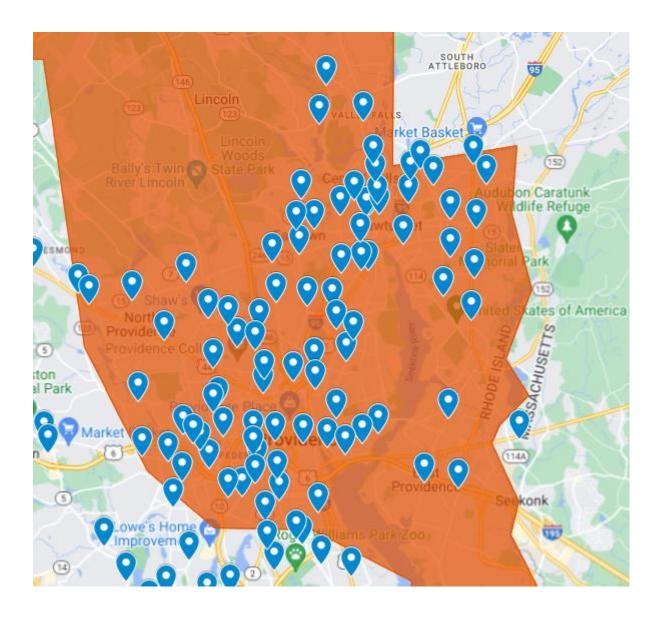
13.8%

**East Boston** 

Revere

**Everett** 





### Bottle Deposit Fraud Headlines

#### The Citizen

Officials in New York are cracking down on bottle deposit fraud they say costs the state millions of dollars each year.

November 2023



State Lacks Plan Stopping Kramer-esque Recycling Scams as Deposit Rate Increases to 10-cents

November 2023

#### **BUSINESS INSIDER**

One family pocketed \$7.6 million by taking cans and bottles from Arizona and recycling them in California. That's fraud, prosecutors say.

July 2023

#### The Chronicle

The New York State Department of Environmental Conservation has announced a statewide multiagency effort to help prevent returnable container schemes that defraud the state of millions of dollars each year.

October 2023



Fraud In Bottle Deposit System Out Of Control; Costing Consumers Hundreds Of Millions Of Dollars Annually, Consumer Watchdog Reveals

January 2022



CalRecycle Loses \$200 Million a Year Due to Bottle Deposit Fraud

January 2022

#### Cleanups













## Extended Producer Responsibility



#### Key Components of a Good EPR Program

- A Fair Needs Assessment: A fair need assessment of the recycling system for costs, capacity, goals, gaps and other key issues is the optimal way to create reality-based PRO plans and a workable program.
- **Reasonable Funding Rates**: funding rates must not create a "blank check" where inefficient recycling program have 100 percent of their costs covered.
- **Producer Control of Producer Responsibility Organizations**: Producers should be in control of their PRO (as opposed to state control) in order for producers to have responsibility to adequately provide feedback and improve recycling systems.
- **Reasonable Performance Goals**: Goals should be driven by the needs assessment done of the recycling system and not some arbitrary performance goal set in statute that is not reality-based or feasible. Goals should be shaped by the PRO's plan and reviewed by a state's environmental agency and other stakeholders before behind approved. Picking numbers that feel good in statute but are **not** based on real data sets the program up for failure.



## Thank you.

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