

A Handle On Reuse

PLASTICS: Bag maker to recycle farm sheeting to cover supermarkets' needs.

By **KAY CHINN** Staff Reporter

A number of companies saw a threat when Los Angeles voted to become the largest city in the country to ban single-use plastic bags earlier this summer. Vernon plastic bag maker **Command Packaging Inc.** saw the law, which goes into effect in January, not only as an opportunity but as a reason to speed plans to open its newest plant.

The company will open a facility in Salinas in October that will recycle plastics used in agriculture, focusing initially on massive sheets used to cover strawberry fields, and convert them to plastic bags that comply with the new law because they will be reusable.

Pete Grande, Command's co-owner and chief executive, said the recycling plant will mark the first time agricultural plastics will be recycled on such a large scale and the first time they will be used to produce reusable bags.

The Salinas facility, which Grande said would convert about 20 million pounds of recycled material into 100 million reusable bags in the plant's first year, will employ 40 at the outset. If his projections hold, Command should be able to double production in the second year and increase employment to 100.

To build both its stock of agricultural suppliers and end-user customers, Command started an outreach program last summer to establish relations with local growers, including **Dole Food Co. Inc.**, **Driscoll Strawberry Associates Inc.** and **Pacific Gold Farms Inc.**, as well as smaller local farmers. A full-time sales and marketing team of three visited farms to promote the company's recycling plan and had growers sign up as charter suppliers.

Growers, incentivized by cost savings, lined up quickly. It runs \$30 a ton to dump agriculture plastics in landfills, the primary way of disposing of them in California. When the new plant comes on line, farmers will be able to drop off their refuse plastic at no

charge at one of Command's two collection facilities. They can also pay a small fee to have the company pick up the plastics.

The plant will initially take in plastics from drop-off points in the two largest strawberry-producing regions of the state: Salinas, just north of Monterey, and Santa Maria, in Santa Barbara County, and Grande said they might gradually expand the range.

In part, any expansion depends on how well the recycled bags are received by the market.

"One of the big challenges is going to be finding grocery chains that understand this is the right thing to do and doesn't cost more money," he said, "and their customers are going to be happy about it."

To market the reusable bags, which are larger and thicker than the single-use plastic bags and can carry up to 22 pounds, Command will customize the products according to supermarket clients' specifications. The reusable bags are intended to sell at checkout counters for 10 cents to 15 cents each, the same price supermarkets in Santa Monica, which has already banned single-use plastic bags, charge for paper bags. Grande said the company has been making the pitch to potential customers but have not yet struck any deals.

He would not say how much his company might get from selling the bags to the stores.

There should be a ready market for the product, said **Mark Gold**, associate director of UCLA's Institute of Environment and Sustainability.

"I think that's how you set yourself apart," he said. "It doesn't just look like a retail bag, but there is some sort of message on there, encouraging people to use it multiple times."

With the law in place in Los Angeles — and similar laws covering the unincorporated sections of the county as well as Santa Monica — there might be few alternatives for grocers.

"It's really about to get people away from that single-bag mind-set," said **Sue Vang**, policy associate with **Californians Against Waste**, a non-profit environmental advocacy organization in Sacramento.

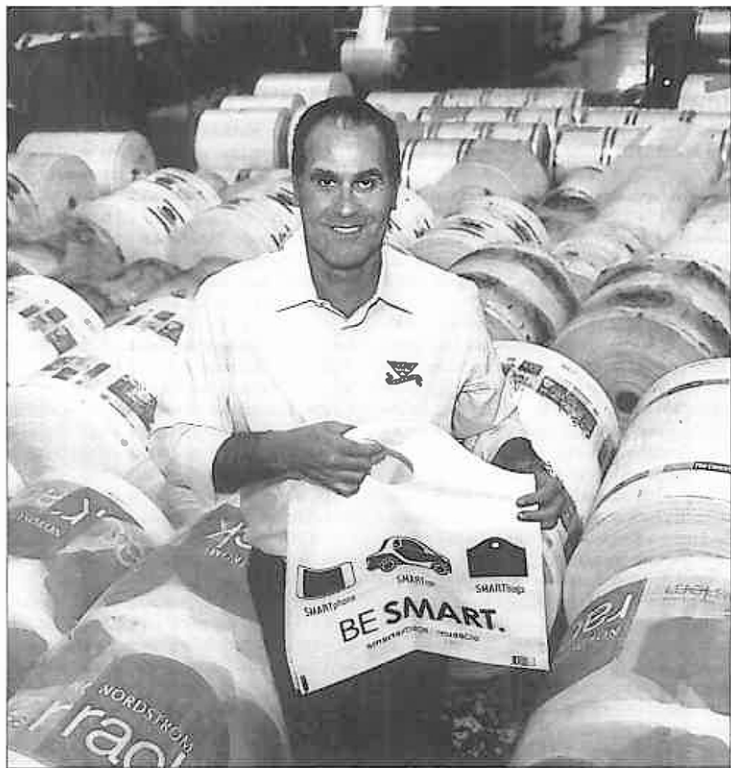


PHOTO BY THOMAS WASPER

In the Bag: Pete Grande at Command Packaging's facility in Vernon.

According to **Kendra Doyel**, spokeswoman for **Ralphs Grocery Co.**, when the ban on single-use plastic bags went into effect in Los Angeles County, each of its stores lost from \$15,000 to \$20,000 in weekly sales as shoppers moved to stores where they could still get throw-away plastic bags.

With the city of Los Angeles joining the ban, customers will be forced to alter their habits.

"It's absolutely critical to put educational materials everywhere to get people to change their behavior," said Gold.

Expand the brand

For Command, which employs about 300 at its 170,000-square-foot facility in Vernon, the move into reusable bags for grocers represents an added product line rather than a significant shift in business.

The company already manufactures bags for restaurants and retailers including **Cheesecake Factory Inc.**, **Tilly's Inc.** and **Cost Plus World Market**. Grande would not disclose annual revenue other than to say it was between \$50 million and \$100 million.

He and partner **Albert Halimi** co-founded Command in 1989 after the plastic bag manu-

facturer they worked for was acquired. Their business grew steadily over time, until the economic downturn hit in 2008.

"The recession was a catalyst for us to really take a hard look at the future of our business," Grande said. "What needs to change? Sure we could make bags cheaper or we could do something different in terms of the way we market the bags, but what fundamentally could we change?"

They decided that their future was in "green plastic bags."

After small-scale research and testing on techniques for making reusable bags with recycled materials, the pair settled on a technology that had gained traction in Europe.

But it was only last year, as more and more municipalities adopted the ban on single-use plastic bags, that they believed bags made with recycled materials might become financially feasible and they invested seriously in the effort.

"In the long run," said UCLA's Gold, the loss of disposable bags "has gone from an inconvenience to a way of life in both Santa Monica and L.A. County in about a year or two. It's a significant change but it's a change that people accept over time."