

# Catching on to green at design level



Universal's Number 1 series had a great impact on packaging production

## Joy Zaccaria discovers that environmental concerns for content owners are largely driven by the retailers

**T**he future of the earth's environment is a hit in Hollywood for video and audio media. Artists in the music world have a reputation for heightened sensitivity to such issues as recycling and eco-friendly packaging. In recent months, a phenomenal wave of eco-conscience has taken with it every step of the supply chain: content-owners to package designers to replicators to retailers.

The pressure is coming from all angles: artists, retailers and, indirectly, from consumers. The pressure making the most impact is coming from the end of the line, the retailers. Wal-Mart is a huge international retailer with a huge voice for its distributors. When that giant encourages respect for the environment, everybody pays attention. Any discussion of sustainable packaging has been leading to this retail behemoth.

Jeff Palo has been the vice president of production at Shout!Factory for the past four years. Shout!Factory is a content owner that specializes in re-releases of music greats as well as classic TV show compilations. "We are doing a lot of research," says Palo. "We're making a bigger commitment in 2008

towards transitioning to more environmentally-friendly packaging. It's a hot topic right now.

"The last year, for me and our company, my bosses are pushing me to come up with ideas and solutions and to come up with a green statement." In turn, Palo is pushing his vendors to come up with solutions, and he cites Wal-Mart's mandate for its suppliers to be more green as an origination point for much of the changes in priority. "The Wal-Mart initiative was heard and felt from our distributors and our sales people. It had a great impact in its ripple effect from the labels, through the studios, and on to the replicators and suppliers."

**"I don't think it takes a lot of effort to experiment. Nothing we do as companies is irreversible"**

## Eco-pressures

Retail pressures combined with the personal beliefs of the management team at Shout!Factory (both principal owners drive hybrid cars) so that eco-friendly packaging has become a big goal for 2008.

Compounding pressures for the label, they signed on for a project with the band Barenaked Ladies, a Canadian rock band with a very big green initiative. The band's business plan is modelled on environmentally responsible principles, such as using vegetable oils in their tour buses. They expressed the desire to use a package made entirely of recycled or environmentally friendly material for their live concert DVD and a companion CD, 'Talk to the Hand'. This launched Shout!Factory into the orbit of the green movement for packaging and encouraged a great deal of research.

Shout!Factory went with the PaperFoam tray procured by Shorewood. "It was an exciting tray," says Palo. "It's interesting-looking, comes in a number of colours, and gives you a little bit of bulk that we were missing in the completely board packages." The package was completely made of recycled material or biodegradable material. "Since then we started looking for solutions on a more permanent basis. What type of packaging can we use on-going? That's the phase we're in now."

Shout!Factory's Jeff Palo is asking several of the major print suppliers in the industry about what eco-friendly options are available, what the cost increases are, what the quality of the material is like. "We've also pushed back to Sonopress, our replicator and our primary vendor," he explains. "We've asked them to put together a statement of their green footprint and what they require of their vendors. Sonopress has been very helpful."

### Retail pressure

"I believe that in the business where I'm operating, the retailer plays an enormous role and has an enormous responsibility in helping this process move forward," according to Bill Sondheim, president of Gaiam. "I get to claim to be one of the leaders in this area. As far as I know, no one has made a stronger commitment to release products in eco-based packaging."

In October 2007, Gaiam adopted a 100% recyclable eco-pack that utilises 100% recyclable board and paper-related products; 75% is post-consumer recyclable. "We are rolling more and more of our products into that package," says Sondheim. "We focused initially on titles that we feel would be most in tune with that type of consumer like some of our fitness/wellness space, lifestyle kind of products.

"We think we found an elegant solution that is high quality, beautifully represents our artwork, is extremely durable and is quite obviously a proper recyclable product. I think that's important." Sondheim sees the importance of the package having an appearance of a recyclable nature to it otherwise the consumer won't necessarily buy in.

"I'm on a bit of a crusade," he says. "I hope that others quickly adopt it because one of the difficult issues is that until more people do adopt these types of packaging, there isn't the volume that I can generate on my own to lower prices.



"We assumed a leadership role because of our corporate philosophy and responsibility toward the planet. Other content owners are looking at various packaging. But to be perfectly blunt, I don't think it takes a lot of effort to experiment. Nothing we do as companies is irreversible."

### Overall impact

Jerry Stine is the vice president of production for Universal Music Enterprises. He sees eco-friendly packaging as fairly new for the record industry and Universal is handling it on a case-by-case basis. He sees retailers looking to him for solutions to general issues. "The retailers haven't established any bars for us to go over, they're just looking for overall improvement," says Stine. "It's our print vendors who are helping us with this. It's a very complex issue and there's certainly a lot of science and scientific research that's being analysed right now to help us make those decisions."

For Shout!Factory's foray into green packaging, there was an associated cost: for the DVD with the PaperFoam tray there was a 40% increase in cost compared to using the

*(Continued on page 34)*

**Barenaked Ladies: artists leading the green wave**

*(Continued from page 33)*  
 standard Amaray case. “We felt we got a lot of benefits from it,” says Palo. “We got a special package that consumers are drawn to. We developed a relationship with the band that was important.

“I wouldn’t say we’re willing to pay 40% more on every project. That was unique for us and launched our green movement so we got a lot of benefit out of it.”

At Universal, Stine hears everyone in the industry talking about this: Universal’s retailers, artists, and consumers. Everyone accepts the importance of making changes. For the Number 1 series from Universal Music Enterprises, packaged in the PaperFoam

“The manufacturing of CDs into polystyrene jewel boxes is a very automated, very fast process. Anything other than that package tends to slow down that manufacturing process. One thing we’re looking at now is how to keep manufacturing levels very high using alternative packages.”

Resolving the issue of special packaging versus a package that is more environmentally responsible, the specialty items now preclude the typical jewel box. “I think the biggest culprit here is probably the polystyrene package,” says Stine. “It really is just landfill. The special packages that we do tend to stay away from those types of plastics in the first place.”

## “The biggest culprit here is probably the polystyrene package. It really is just landfill”

package, it did have a great impact on the way productions are run.

“There certainly is an impact,” Stine explains. “For the last couple of decades the industry has been set up to manufacture CDs in a polystyrene jewel box. The manufacturing is geared around that.” Whenever anything other than that configuration is introduced, it impacts production at many different levels.

### Design awareness

Meat and Potatoes is the print packaging and advertising design company enlisted to make the packages for Universal’s Number 1 series. “They came to us with this PaperFoam tray inside the ECO Pack package – which was all recycled board. The idea was to make a package that was disposable yet very recyclable,” says Todd Gallopo, Meat and Potatoes’ owner.

According to Gallopo, whether it’s a music company or a film company, they’ve been going directly to the printers for more environmentally friendly solutions. “We had been educated and involved on the back when it comes to design,” he explains. “A client would present a package for us to design to according to their templates.”

For the designers that work with Shout!Factory, the increased awareness of environmentally friendly packaging does not come at the expense of the value of the company’s packages. “We like to add a lot of value to our package,”



Jeff Palo of content owner Shout!Factory



Todd Gallopo of design company Meat and Potatoes

says Palo. "In many cases that means a nice full booklet with multiple pages and multiple images. We're leery to trim there."

But for multi-disc video sets, Shout!Factory has gone away from the heavy board multiple panel packaging styles like the Digitray and the Digistack and opted instead for Thinpacks and smaller packaging.

Meat and Potato's Gallopo reasoned that for a print company

### Aggressive but costly

Gaiam's Sondheim says, "There's often a lot of dialogue put on the importance of eco-based products. However, I feel I have the unique perspective of actually having executed a very aggressive eco-based strategy that comes at significant cost to our corporation and our margins and our profits.

"If you really want to influence content suppliers such

## "We're teetering on the edge of the point where everybody gets past that whole bottom line thing and starts to push the green-friendly thing"

like Ivy Hill, AGI, Shorewood or MPS, when they're all bidding against each other for a project, the recycled material may be too expensive.

"Unless that particular company is ready to start touting that its packaging is as recyclable and eco-friendly as it can be at this point," says Gallopo, "I think we're teetering on the edge of the point where everybody gets past that whole bottom line thing and starts to push the green-friendly thing. Everyone is waiting for someone else to make the first move."

as my competition, all you need to do is show slightly more favourable purchasing toward my product or toward the placement of my product. You will quickly find an avalanche of activity in this arena.

"But if they see no discernible difference in the way my titles are treated or purchased, I think they would probably take the different economic analyses and say 'why would I want to increase my cost of goods as Gaiam has done, when I don't see a discernible change?'

"We're going to be patient." ●