CPMAR CASE STUDY Sustainability

CF FRESH

Incorporating sustainability into business decisions has become second nature

HIGHLIGHTS

- Rooftop solar panels generate 42% of electricity
- Development of industry metrics
- Commitment continuous improvement
- Innovative approaches to packaging eliminated 65,000 pear cases

CONTEXT / BACKGROUND

CF Fresh was founded in 1993 in Sedro-Woolley, Washington. The company has expanded its scope substantially from humble beginnings, and today is regarded as a pioneer in the organic industry. CF Fresh is committed to selling organically grown products with the goal of providing optimum prices and service to our growers and suppliers around the world, superior quality and service to our customers, and a healthy, team spirited working environment for their employees.

APPROACH TO SUSTAINABILITY

Despite being grounded in sustainability, in 2007 CF Fresh decided to formalize their philosophy and in 2008 signed on to the *Declaration of Sustainability in the Organic Food Trade*.¹ This committed the organization to continuous improvement in the following key areas: organic & land use; distribution & sourcing; energy; climate change & emissions; water use & quality; solid waste reduction; packaging & marketing materials; labour; animal care; sustainability education; and governance & community engagement.

CF Fresh now conducts annual performance audits, and working to develop relevant metrics that will allow the company to benchmark and measure its performance

The Food Trade Sustainability Leadership Association FTSLA provides businesses in the organic food trade with guidelines and recommendations for how to embody sustainability in their own operations. For more information visit www.sustainablefoodtrade.org.

HEAD OFFICE: Sedro-Woolley TYPE OF OPERATION: Distributor NO. OF EMPLOYEES: 17 ESTABLISHED: 1993 WEB: vivatierra.com

improvement. Results are shared with staff, and made public via their website and social media. The following activities represent some of the programs underway, and achievements to date.

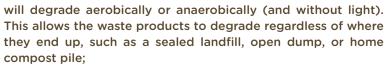
ENVIRONMENTAL RESPONSIBILITY Packaging

CF Fresh sets packaging design standards, but does not directly purchase the packaging used by its growers. However, this does not stop the company from using its leverage to pursue ways in which they can minimize the environmental impact of packaging, including:

• Introducing un-bleached, brown "kraft" cardboard packaging to

- eliminate the bleaches required to make paper white. This had the added benefit of strengthening brand recognition;
- Sourcing molded paper fiber trays made from recycled materials, and choosing a supplier in part, because of their closed-loop technology that eliminated wastewater from their process;

• Using degradable plastics that



• Working with suppliers to constantly challenge them to reduce packaging led to a more efficient box design that increased the number of pear boxes per pallet by 14%, and eliminated 65,000 cases per year. This efficiency has a multiplier effect, even reducing the amount of fuel required to transport product along the supply chain.





SOCIAL RESPONSIBILITY

Despite not having the required number of employees to fall under the Equal Employment Opportunity regulations (USA), the company has still chosen to demonstrate compliance out of fairness and respect for its employees. CF Fresh has introduced a number of programs for its employees, and others in the community, over the last few years, including:

- Medical, dental and vision benefits
- Matching retirement account contributions
- •Paid vacation and health leave
- Profit sharing
- Flexible scheduling for employees juggling childcare / family needs
- Clerical and office skills training to developmentally disabled students
- Work-study experience for young people enrolled in the Job Corps
- Buying a new van to shuttle the Chilean farm soccer team to and from

OTHER INITIATIVE

games

 Donated more than 130,000 lbs of organic produce (valued at approximately \$65,000)



deemed overripe, in the wrong place or cosmetically damaged) to food banks, soup kitchens, and other charitable organizations during 2011;

- Installed 130 solar panels, which produce 42% of the total electricity produced by the office (estimated payback of six years);
- Reduced annual electrical consumption by 13.9% between 2006 and 2011;
- Implemented an energy management plan that has included purchasing efficient lighting fixtures / bulbs and bulbs, upgrading HVAC systems, adding new windows to maximize natural light, etc.
- Introduced the paperless office, reducing paper consumption by 50% between 2009 and 2011;
- Reduced the weight of its tradeshow exhibit by 90%, which translates into less than 10% of the CO2 emissions traditionally generated from shipping their exhibit across North America.

SUMMARY

Sustainability has been a central part of CF Fresh's philosophy since its inception in the early 1990's. The company routinely takes environmental and social aspects into account as it makes any business decision, challenging conventional business approaches along the way. Their recent commitment to annual reporting and continuous improvement has enabled the company to understand their wider impacts, and benchmark the company's performance. This, in turn, has enabled them create business indicators that reflect their values, guide decision-making and differentiate themselves in the market.



