CPIA CASE STUDY Sustainability

HIGHLINE MUSHROOMS

Passionately nourishing people, community and environment

HEAD OFFICE: Leamington, ON

TYPE OF OPERATION: Grower, Packer, Distributor

NO. OF EMPLOYEES: 1,100

ESTABLISHED: 1961

WEB: highlinemushrooms.com

HIGHLIGHTS

- Sustainability integrated into the company's strategic plan / management decisions;
- Innovation has eliminated all fungicides and pesticides;
- 82% waste diversion rate
- Significant water reuse
- Highly engaged Associates

CONTEXT / BACKGROUND

From humble beginnings in 1961, Highline Mushrooms has grown to become the largest independently owned and operated mushroom growers in Canada. Despite the growth, Highline Mushrooms remains a nimble, family run organization that is committed to the same values now as it was when Dr. O'Neil started the business more than 50 years ago - integrity, excellence, care, respect, effort, openness and fairness.

APPROACH TO SUSTAINABILITY

In 2010, Highline took the initiative to re-think their overall vision and mission, and develop strategies that reflect the company's values. Sustainability is incorporated into all of these strategies, and driven by the senior management team.

ENVIRONMENTAL RESPONSIBILITY

Pesticides / Fungicides

- Unique to the mushroom industry, Highline uses advanced / accelerated cropping techniques, refined over many years, which has eliminated the need for pesticides and fungicides, which are generally required in the cultivation of mushrooms. This has enabled Highline to commit to a pesticide free policy for all of its farms;
- It also provided the stepping-stone to certify two of its farms, and 35% of production, as organic by the Canadian Organic Regime.

Water

 Water runoff, which is used to cultivate the mushroom substrate and clean equipment, is directed back to the water treatment lagoon for re-use in the substrate making operations. This equals approximately 2,200,000 litres (581,179 gallons) of water per week that is not being drawn from wells or the municipal water supplies – enough to fill 45 Olympic sized swimming pools per year¹.

Waste Diversion

- In 2011, the company conducted waste audits at each farm to develop a baseline of waste output. Highline's initial waste diversion rate was approximately 74%, but as a result of the detailed recycling and re-use programs now in place, the rate has increased to 82%, exceeding their own target, and reducing the waste going to landfill by 30%;
- By changing the type of packaging used in some of their mushroom tills (containers) to one that is recognized by most municipal recycling programs (PET) across North America, and by increasing the quantity of recycled content within them, Highline has further diverted 91 metric tonnes of plastic away from the landfill;



 By utilizing natural and / or waste by-products from other local products, such as straw and poultry manure, Highline uses waste by-products from other companies thus reducing the need to purchase new inputs. In addition, waste produced during harvesting, such as mushroom stems and roots, is recycled back into the development of new substrate. Mushroom substrate that cannot be reused is sold as fertilizer to the public, local farms and fertilizer manufacturers.



Optimizing transportation

- Working with Ryder, the transportation company from which they lease their long haul tractor trailers, Highline is in the process of implementing a number of improvements that will reduce fuel consumption by 18-20% and improve customer service through more consistent and timely deliveries, including:
 - Optimizing load sizes and truck capacity to meet actual needs and avoid over engineering or excess capacity;
 - Introducing skirts on new trailers for improved aerodynamics and fuel efficiency;
 - Using higher efficiency reefers (cooling units) leading to improved fuel consumption/hr;
 - Installing GPS's to provide greater control and access to the dynamics of mileage and fuel efficiency;
 - Limiting fleet speed to 105km/hr (previously ungoverned).

Other initiatives

 At one facility alone, lighting upgrades are expected to reduce annual electricity use by 202,145 kilowatt-hours, enough to power 16 Ontario homes per year². More upgrades are planned in other buildings

SOCIAL RESPONSIBILITY

Investing in Associates

Highline sees how they treat their Associates (employees) as a key place where they must live out their core values, and go above and beyond. The company has a comprehensive approach to ensure employees feel appreciated, happy and motivated. This includes:

• 25+ years of Profit Sharing;

- Employee Assistance Program (EAP);
- Defined Contribution Pension Program;
- Post Secondary Scholarship program for children of Associates;
- On-site Wellness programs, including morning stretches and smoking cessation support;
- English as a second language (ESL) and literacy classes to support Associates new to Canada;
- Created the "Values in Action" program, where Associates are rewarded for "doing something right"; and Sustainability training for all Associates.

Investing in the Community

Highline continues to be very involved in the local communities in which they operate. They sponsor local sports teams and events, as well as long-term community goals such as a new Zamboni for a local arena, a new library, and a new community centre.



SUMMARY

In a short amount of time, Highline has made tremendous progress towards sustainability, in large part due a 50-year-old philosophy that sees its Associates, community and the environment treated with respect. Over that time, Highline also proved that this approach can reduce costs, engage Associates, and create a competitive advantage. The ongoing commitment by the executive team has driven programs forward with enthusiasm, and buy-in from Associates. As the company moves beyond its initial studies, and begins to quantify the progress they've made, they will be able to report on their progress, focus their efforts as needed, and establish new targets in order to build on the success to date.



¹ http://wiki.answers.com/Q/How_much_water_does_an_Olympic_sized_swimming_pool_hold

² http://www.newswire.ca/en/story/278939/save-the-watt-wednesday