

Message from the Chair

There are two clear signs of the increased importance British Columbians place on recycling. The first is the significant growth of participation in recycling activities confirmed by consumer research we conducted in the past year. The second is the evolution that has occurred in thinking about recycling in general. In 2010, recycling is no longer an end in itself, but rather one element of a larger obligation we have to protect and improve our environment.

The implication for Encorp Pacific, a business that was once entirely about the collection of bottles and cans, is that we are now expected to play a leadership role in the larger world of product stewardship.

Today, “extended producer responsibility,” “carbon footprint” and “life cycle management” are as much a part of our lexicon as deposits and refunds.

As the boundaries of product stewardship expand, so do public and stakeholder expectations. In 2009, Encorp’s Board of Directors formally agreed that sustainability should be one of our strategic objectives. Consequently we now track our environmental impact and are pleased to report that in 2009, the recycling of beverage containers helped contribute to the reduction of approximately 137,000 tonnes of carbon dioxide equivalent from our atmosphere. That’s equal to taking 37,000 cars off BC roads for a year.

In addition, over the past 3 years we have added alcohol beverage containers, waste electronics and used milk containers to our overall portfolio. One of the key tasks for the Board of Directors is to determine how much more activity the organization ought to take on in its current form. This will continue to be a strategic focus along with our emphasis on enhancing the depot network, reaching out to local communities, managing risk and containing costs.

Like virtually every other industry, our business was affected by the soft economy in 2009. Lower fee and commodity revenue, combined with relatively higher recovery performance, created unprecedented pressure on our reserves. The resulting adjustment in our container recycling fee was not something we wanted to do, but considered necessary to ensure that we could meet our financial obligations. We are confident that the measures taken in the fall of 2009 will stand us in good stead as the economy recovers and beyond.

Encorp’s responsibilities are not just defined by the products we collect, but also by the way we manage ourselves in the context of the regulatory model prescribed in the Environmental Management Act. In 2009 a stakeholder group took aim at Encorp and the regulatory model itself through a concerted lobbying effort. Our response was to explain how we operate and how we are governed, and to highlight our work and our achievements to date. We were gratified by the support we received from audiences at all levels, and by the expressed confidence in our ability to discharge our obligations under the model. We continue to believe that responsibly executed industry management, in conformity with regulatory requirements, is the preferred way to administer stewardship programs.

2009 was Encorp’s 16th year of operation. This is no small feat for an organization created by commercial competitors. Today, Encorp is one of the leading stewardship organizations in North America – a tribute to our dedicated and uniquely talented staff, and to our Board of Directors, whose leadership and sound judgment remain one of the company’s greatest assets.



Dan Wong
Board Chair

