





Sustainability initiatives such as reducing waste, re-using and recycling materials, and lowering energy consumption are the fundamental responsibilities of everyone.

They are also just good business, inside and out.



Sustainability Initiatives



Sustainability in Packaging From Precepts to Practices

With public consciousness so highly focused on reducing the global footprint of virtually all businesses, it comes as no surprise that everyone... from your most valued customers to your suppliers, your employees, your shareholders and your consumers... is demanding visible signs of lasting and genuine environmental responsibility.

And the challenges are formidable. As oil reserves dip and demand continues to rise, every packaging material derived from petroleum... and every package transported by train, ship, air or truck... will likely face increasing costs.

Long before the concepts of green and sustainability had labels, Ernest Packaging Solutions worked with its customers and its suppliers to reduce their impact on the environment. Today, Ernest has amassed considerable expertise and knowledge to successfully address issues of packaging cost and structural integrity alongside those of environmental stewardship.

The key consideration:

Sustainable packaging is a continuum of improvement, and not an absolute state. So progressin any one area is a step in the right direction.

Ernest follows a consultative approach towards developing sustainable packaging solutions for customers. With access to the full range of systems and materials needed, Ernest assesses the needs and objectives of each situation, develops and tests each recommendation, and ultimately assists to achieve successful implementation.







Reduce

Source, convert, and use significantly less virgin material in packaging



Reuse

Incorporate recycled content whenever possible



Recycle

Increase the use of postconsumer and industrial scrap in packaging

Whereas many companies are familiar with the "Three R's", few are familiar with some of the more creative ways of achieving them. To assist in that regard, Ernest has formed strategic alliances with a number of resources for handling the more challenging situations.

For example, recycling is commonly thought of in terms of obvious applications. Yet, when post-production waste and other scrap pose tricky challenges, thoughts of recycling are often abandoned. That need not be the case. From the facial tissue manufacturer looking to recycle lotion-impregnated tissues to the producer of trading cards with two-sided, ultraviolet coating and foil stamping - or myriad other situations, Ernest has the connections to facilitate successful recycling of the most unusual materials.



Sustainability in Packaging Distinctions with a Difference

Sustainable packaging does not necessarily mean that only green materials were used. It does mean that businesses utilize the materials, practices and policies proven to contribute to the continuum of environmental improvement.

Sustainable packaging is underway when the "new" package can be said to have lowered the environmental, social and economic impact relative to the "old" package.

Generally, it involves meeting one or more of the following parameters:

- Is beneficial, safe, and healthy for individuals and communities throughout its cycle
- Meets market criteria for performance and cost
- Is sourced, manufactured, transported, and recycled using renewable energy
- Maximizes the use of renewable or recycled source materials
- Is manufactured using clean production technologies and best practices
- Is made from materials healthy in all probable end-of-life scenarios
- Is physically designed to optimize material and energy
- Is effectively recovered and utilized in biological and/or industrial cradle-to-cradle cycles



Sustainability in Packaging Applied Expertise

Among the thousands of products claiming to deliver environmental benefits, Ernest can identify and recommend those that will be appropriate for their needs... and only those that will honestly make the sustainability difference.

Customers of Ernest Packaging Solutions gain access to the most complete range of custom and standard sustainable packaging products, equipment and systems available in the industry today.

Product Categories:

| Adhesives & Tapes | Office Products |
|----------------------------------|--|
| Bags & Pouches | Pallet Unitization & Bundling Products |
| Chipboard – Stock & Custom Run | Pallet Stretch Film & Equipment |
| Corrugated Products | Polyethylene Bags & Sheeting |
| Cushioning & Protective Products | POP Displays |
| Facility Maintenance | Shipping Room Supplies |
| Film & Equipment | Shrink Film & Equipment |
| Food Service | Static Control Products |
| Janitorial & Sanitary | TempEndure® Engineered Systems |
| Paper Supplies | Tubes |
| Labeling Products | Wrapping Products |
| | |





Sustainability in Packaging

Companies Making the Transition

The packaging industry does not currently have, nor is it likely will imminently agree upon, an objective industry-wide standard of measure of the overall sustainability of one package versus a completely different, new package. In the meanwhile, companies are developing standards of their own, creating score cards to rate the effectiveness of their suppliers.

From corrugated cartons to stretch films, and from the packaging of pharma-ceuticals to lighting to food products, Ernest provides viable solutions to any and all sustainable packaging requirements.

Ernest's customers range in size from Fortune 500 corporations to middle-market companies and start-up businesses. Likewise, they span a wide range of industries. Their common thread is a commitment to environmental leadership.

| Apparel Manufacturing | Gaming |
|---|--|
| Automotive Aftermarket & Parts Distribution | Graphics & Lithography |
| Biomedical | Lighting Fixtures |
| Computers & Technology | Movie, Television & Video Distribution |
| Cosmetics & Fragrances | Neutraceutical |
| Distribution & Logistics | Pharmaceutical |
| Electronics | Sports Equipment |
| Food & Beverage | Toys |
| Furniture Manufacturing & Distribution | Window Coverings |





Sustainability in Packaging

Thermally-Dependent Product Protection

Sometimes, it is critical to maintain a specified internal temperature range through the duration of packing, shipping and distribution cycles, regardless of ambient conditions.

TempEndure[®] Engineered Systems offer the only fully-integrated, sustainable approach to creating customized packaging units with their own internal environments, to protect the precious cargo they surround.

TempEndure® Engineered Systems are designed and developed exclusively by Ernest Packaging Solutions. With their reduced footprint, multiple use options and components made of bio-based materials, TempEndure® Engineered Systems provide packaging solutions that are environmentally responsible, in addition to thermally effective.

Reduction

- Reduced footprint, less material used in total
- · Less labor for assembly, lower energy use at facility

Reusability

- TempEndure® Engineered Systems may be used and re-used. Depending upon their specific applications, customers may choose to manage the closed loop supply chain, or, utilize a TempEndure® Certified Resource.
- TempEndure® Gel Systems may be re-used multiple times without any risk of thermal degradation

Recyclability

- Components made of organic, bio-based materials
- Outer corrugated containers composed of recycled materials





Everyone's using the buzz words, but are we really all speaking the same language?





Sustainability in Packaging

Assessing Your Green Quotient

How green is your facility today? As you consider the sampling of questions below, remember that the definition of green refers to a relative state, not an absolute one. So wherever you rank today... any improvement tomorrow is a big step in the green direction.

- Q: Are the hand towels, toilet tissue and other similar janitorial paper products purchased for your company made of 100% recycled material?
- A: If all paper towels were made of 100% recycled materials, over 1,000,000 tons would be eliminated from our waste stream.
- Q: Has your company retrofitted all high-bay metal halide fixtures (T 12 lamps and magnetic ballasts) with energy-efficient fluorescent fixtures (T 8 lamps and electronic ballasts)?
- A: Savings from converting to energy-efficient, T 8 fluorescent fixtures, has been estimated at 34%.
- Q: Has your company considered "waterless" sanitation alternatives such as foaming hand soaps or commodes?
- A: A waterless urinal can save as much as 40,000 gallons of water per year.
- Q: How regularly does your company recycle its spent fluorescent bulbs?
- A: In 1999, the US EPA added hazardous waste lamps to the federal Universal Waste Rule (UWR) and by 2003, all states had added lamps to their universal waste rules, or had issued separate guidelines authorizing the management of lamps under a reduced set of management standards.
- Q: How often does your company measure its Leadership in Energy and Environmental Design (LEED) ranking as described by The United States Green Building Council (USGBC)?
- A: LEED certification, which applies to new construction or renovation of existing buildings, can translate good corporate citizenship into a number of tangible operating benefits such as improved worker health, and, depending upon the location of your facility, tax credits or even expedited permitting.



Regis Corporation

"Ernest looks beyond the obvious to explore all aspects of a project. Then, they transition from ideas to solutions."



Bruce McMahon, Vice President of Logistics Eric Reddish, General Manager



Regis Corporation is the beauty industry's global leader in beauty salons, hair restoration centers, cosmetology education and professional hair-care products. They are also leaders in matters of environmental stewardship.

With more than 10,000 salons in North America, their daily product shipments consume a staggering amount of packaging materials. Which is why Reigs asked Ernest to evaluate their overall packaging processes.

While Ernest's recommendation to change from a polyurethane-based inner cushioning material to a paper-based product will actually yield **savings of approximately 30%**, as well as improved product protection, there is more. Regis accomplished their most important goal: **transitioning into a completely sustainable packaging alternative**.



Kalco Lighting

"Sustainability, source reduction and savings. Ernest is a great partner – and I don't mean vendor, I mean partner."



Dennis White, Operations Manager



Meticulous craftsmanship and a commitment to excellence are the core principles underlying Kalco's leadership position in the decorative lighting industry. Indeed, Kalco transforms any fixture from a functional existence to an original piece of art.

Kalco's philosophy extends to their strong sense of responsibility concerning matters of sustainable packaging, where they turned to Ernest for help. The recommendation may sound simple in concept: reduce the footprint of packages by eliminating the traditional crates in favor of a custom-designed, 100% curbside-recyclable corrugated carton, and reduce the thickness of stretch film. In development, the solution actually involved complex studies, multiple prototypes and testing.

In implementation, the amount of source reduction is huge, both in production and at job sites. The amount of energy savings is considerable. The amount of savings on freight costs is substantial. Some might call it a triple; we see it as a home run.



Dean Foods / Swiss Dairy

"Ernest delivers beyond our expectations. They really understand our needs... and our customers' needs."



Nick R. Van Hoogmoed, General Manager



Dean Foods/Swiss Dairy is the nation's largest processor and distributor of milk and other dairy products, as well as the leading manufacturer of soymilk, organic milk, and other organic foods.

For many years, Swiss Dairy and Ernest have tackled the challenges of dairy product packaging together, balancing the need for quality with the goals of cost management. So it came as no surprise when Ernest was asked to evaluate the potential of changing milk carton outer packaging from corrugated master cartons to stretch wrapped multi-packs. The results also came as no surprise. Eliminating the corrugated would also eliminate its precious insulating properties, such as extended transport time for the consumer as well as the dairy.

Instead, Ernest recommended a new corrugated shipper, made from 100% recycled kraft. Ultimately, Swiss Dairy, their customers and the environment are all the better for the change.



Teamwork Athletic Apparel

"In a business climate that is barraged with products claiming to be green, it's hard to distinguish between real and faux. We can always count on Ernest to find the truth that's not always in the advertising."



Matthew Lehrer, President



Teamwork Athletic Apparel is a leading manufacturer of athletic uniforms for men, women and children, with thousands of SKUs in inventory and overriding benchmarks of quality and value. Their mantra, "Beyond Exceptional", is applied to every realm of their business, from customer service to production processes. It is also applied to the intensity with which they are adopting green operating standards.

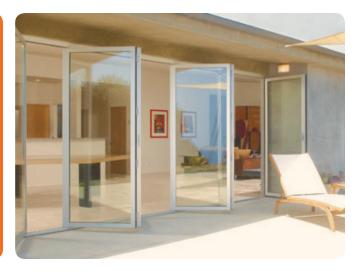
Knowing of Teamwork's philosophy and commitment, Ernest was honored when they were contacted for their green expertise in facilities management. As they replaced conventional cleaning chemicals, papers and systems with Green Seal® certified products, Ernest knew that they were helping Teamwork to achieve their green goals. Ernest also knew that Teamwork would realize additional benefits such as better cleaning results, fewer odors, and reduced costs.

Beyond Exceptional? Maybe. Beyond the Obvious? Definitely.



Solarlux / Nana Wall

"As innovators in our industry, we feel an inherent responsibility to take the lead on matters of environmental citizenship. Ernest is helping us on our journey."



Helge Biernath, President



Manufacturing L.L.C.

Perceiving an unmet need for flexible solutions to large architectural openings, the founders of Nana Wall Systems delivered their first wood-framed, opening glass wall in 1986. Today, they are the dominant provider of opening glass walls in North America.

As innovators, Nana Wall is always striving for new solutions, in every aspect of their business. When they were seeking to reduce the footprint of their packaging on the planet, they asked Ernest for help.

Today, they have replaced crates that once consisted of petroleum-based products, wood, metal staples and foam inserts... with a 100% curbside-recyclable package that yields a better design, reduced shipping costs and improved product protection. **Innovators once again.**



Kings County California

"We want to improve our environment, inside and out. With Ernest's experience, we know we can achieve our green goals."



Kim Verdeaux, Commissioner Jerry Shower, Superintendent



Located in the heart of California's San Joaquin Valley, Kings County encompasses more than one thousand square miles and many thousands of lives. With offices and departments ranging from law enforcement to schools and public health, the need for effective and cost-managed janitorial and sanitary programs is obvious. With their sheer numbers, the need for green cleaning solutions is all the more critical.

To achieve the County's dual objectives, Ernest recommended replacing their many, conventional cleaning solvents with one single product; a bona fide, green-certified multi-purpose chemical. Today, Kings County can see better results through more efficient cleaning processes. And while they can't see their results on the environment, they can be assured that they are indeed making a difference.



Ernest Packaging Solutions™

Corporate Headquarters
5777 Smithway Street
Commerce, CA 90040
T 800.233.7788
F 323.923.3020

www.ernestpackaging.com

An Ernest family of companies



