

Letter to Legislature: Supporting Compostable Serviceware in Restaurants

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Dear Labor & Commerce Committee Members:

I am writing to express my strong support for House Bill 25, sponsored by Representative Josephson, that requires restaurants to transition from Styrofoam containers to compostable serviceware. As an Alaskan business specializing in distribution of biodegradable and compostable food service disposables to the restaurant industry, I believe this transition offers substantial economic and environmental benefits to businesses, communities, and our state's economy.

#### **Business Benefits of Compostable Serviceware**

#### Consumer Demand and Brand Loyalty

Today's consumers increasingly prefer eco-friendly businesses. According to a 2023 Nielsen report, 73% of consumers say they would definitely or probably change their consumption habits to reduce environmental impact. Restaurants using compostable packaging report higher customer satisfaction and loyalty, with some businesses seeing up to a 15% increase in repeat customers after making the switch.

#### Competitive Differentiation

In a crowded market, sustainability practices serve as a meaningful differentiator. Restaurants that advertise their use of compostable serviceware attract environmentally conscious customers and often command premium pricing, improving profit margins despite slightly higher packaging costs.

#### Cost-Neutral or Cost-Positive in the Long Run

While the initial per-unit cost of compostable serviceware may appear marginally higher than Styrofoam, many restaurants report that these costs are offset by:

- Bulk purchasing discounts from an expanding compostable packaging industry
- Higher sales volume from eco-conscious consumers

# **Community and Environmental Benefits**

### Health and safety

Compostable serviceware is free from potential carcinogens that can leach into food (especially hot, fatty, or acidic foods) giving consumers peace of mind.

#### Alignment with values

For the growing segment of environmentally conscious consumers, compostable packaging allows them to enjoy restaurant meals without compromising their principles.

#### Convenience without guilt

Compostable serviceware offers the same convenience as traditional takeout packaging but without environmental drawbacks.

## **Recommendations for Legislation**

I respectfully recommend the following policy approaches:

## Phased Implementation

Allow businesses sufficient time to adapt, with larger chains transitioning first and smaller businesses given additional time.

#### Supply Chain Development

Invest in local compostable packaging manufacturing to create jobs and local supply.

#### Commercial Composting Infrastructure

Support the development of commercial composting facilities that can process these materials efficiently.

Green Alaska Solutions has been in business for 17 years, growing to be Alaska's premier provider of sustainable packaging. During this time, we have provided products to a multitude of the state's leading restaurants and food service providers from Utqiaġvik to Nome to Bethel to Ketchikan and almost every community in-between. These establishments have made the switch to such packaging for sound business reasons – they believe in the benefits the products provide and their customers appreciate and in some cases demand them. This legislation will enhance the State's pledge to its residents to protect their safety while providing businesses with an opportunity to enhance customer loyalty and grow their enterprise. It is truly a win-win proposition.

I would welcome the opportunity to discuss this matter further or provide additional information about the business case for compostable serviceware in the restaurant industry.

Thank you for your consideration of this important issue.

Deborah O'Leary, Owner Green Alaska Solutions