

A 360 Degree Change

McCormick Distilling started with small energy efficiency steps, which eventually led to a brand new, eco-friendly product, and a cleaner, greener plant.



It's often speculated that in a recessed economy, certain industries go unaffected. In fact, economic experts will highlight industries that actually benefit from the conditions—one of which, alcohol, is often cited as a booming business when times are tough. That said, it's still one of the most highly regulated and highly taxed industries, on both state and federal levels. Despite the cheery news of increased sales, it's an extremely competitive trade that requires more innovation than one might guess.

If you asked McCormick's management team why they invested hundreds of thousands of dollars into the development of 360, "the world's first premier, eco-friendly vodka," you'd get several different answers. But primarily, this was a grassroots effort that sprung out of an awareness for long term production and packaging sustainability.

Green Grassroots

"360 was a result of our reading the newspapers and watching the press and knowing what was going on with the environmental aspects of manufacturing," explains Mick Harris, McCormick's VP of sales. The roots of McCormick's efforts began with a focus on its own production process, as well as the habits of its employees: "Most of our employees are from areas that don't offer recycling, so the

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Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

first thing we did was set up a recycling facility for all of the employees," says Harris. "We were frankly amazed at how interested all of our employees were in the green movement."

"For years we would bale up our cardboard and plastic and just be happy we'd gotten rid of it," adds McCormick president and COO, Jim Zargo. "Once we started doing the recycling with our employees, we concentrated on what else we could do," he says.

The vigor with which employees took to the recycling program spurred McCormick to look into product-based goals. "Nobody in the industry had focused on the area that had become so important here at the plant," says Harris. "So we figured that we'd design a product that fit that mold."

Better Still

360 Vodka is distilled 20 miles up the road from McCormick's sprawling 140 acres in Weston, MO. McCormick's alcohol supplier installed its equipment with energy efficiency in mind. "The still they implemented was up to 99 percent more efficient than the previous still," explains Harris. "As far as waste products, it will burn off all the VOCs (volatile organic compounds), and all the grains are dried in eco-friendly driers."

After a quadruple distillation process, the vodka is filtered five times. "It's a very unique filtration process," says Zargo. "We slowly pass the spirits over granulated charcoal, and it smoothes the flavor out. Then we run it through a membrane using reverse osmosis to further reduce any impurities."

Once the product was developed, McCormick began to look at its options for packaging. The bottle is 85 percent recycled glass, 70 percent of which is post-consumer. As an added gimmick, the old-fashioned swing-top closure on the bottle is reusable. Each bottle comes with a postage-paid envelope so the consumer can return the bottle top, at which point McCormick can sterilize and reuse it. The company has also committed to donating one dollar per returned top to environmental charities. To complete this eco-friendly package, the paper label is made with 100 percent recyclable materials and printed with water-based inks. If you purchase a case of 360 Vodka, it comes shipped in a recycling tote.

Far-Reaching Results

From an operational perspective, it was the advent of this product line that spurred further changes both on-site, and amongst McCormick's suppliers. "One of the neatest things was the affect this had on our suppliers," says Harris. "When we went searching for recycled paper and glass, none of our suppliers had given it any thought, or done anything in that direction. We got comments back from virtually every one of our suppliers indicating we'd opened a new door for them."

In addition, "we've completely redone our air systems," says Zargo. Previously, the compressors would run consistently, but the new system features different controls which can ramp the system up or down, based on need. McCormick also did a

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complete electrical audit and replaced the variable speed motors with more efficient models. “We sealed everything, and we replaced 30 to 40 thermostats with programmable ones. Every nook and cranny, we’re trying to identify,” he says. “The easy stuff is out of the way. It’s the tougher, longer range projects we’re working on now.”

From a product development standpoint, says Harris, “we’re still in the process of looking at everything we do and thinking about how best to change it.” This meant switching to recyclable plastic for numerous products. In addition “We’re looking at recycled content for all of our labels, and different inks and glues across all of our product lines to make them more eco-friendly,” says Harris. “It’s a slow process, and there is testing involved; we have to find the vendors.”

“It’s been a fun project,” says Zargo. “We’ve got a green group that meets every month and creates new initiatives. We’re utilizing renewable energy credits and replacing our carbon emissions with renewable energy.”

Dollars And Sense

Perhaps the most interesting aspect of this endeavor, so far, is the fact that McCormick’s investments have yet to yield a large return in energy savings.

“We save a little on one end, but we spend a little more on another end of it,” says Harris. “This is not a revenue generator for us at this point. I think the best thing you can do is feel good about the product you’re delivering to the consumer, and know that you’re filling a need. You’re helping to save the environment, one glass at a time.”

“It’s incremental,” adds Zargo. “What’s key is long return. Now since the prices have come down on recycled material, it becomes more attractive to manufacturers.”

And at the end of the day, the success of these projects might come down to the fact that they’ve been internally driven from the get-go.

“Nobody was asking us for an eco-friendly vodka,” says Harris. “We just decided it was the right thing to do. Our ace in the hole is, if we’re able to make a product that the consumer adopts, that will pay for all of the initiatives and more.”

Different Ways To Save

For McCormick, the proof of success is in the numbers. Throughout the past year, the company has made big efficiency strides from a localized production standpoint, and beyond:

- In 2007, 167 tons of materials were recycled from McCormick’s day-to-day operations in Weston, which included PET, glass, packaging components, metals, electronics, and paper.
- An onsite recycling coop and drop off center was established at the facility

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for employees' home recycling efforts. At present, 88 percent of the company's employees participate in this recycling effort. The company estimates that they saved 4,099 fully grown trees; approximately 1.7 million gallons of water; 2,181 barrels of oil in the U.S.; roughly 1.0 million kilowatts of electricity; 796 cubic yards of landfill space; and more than 14,000 pounds of air pollution as a direct result of this initiative.

- McCormick changed its operations to a four-day work week (Monday through Thursday, 7:00 am to 5:00 pm) and launched an employee car pool program to save energy. To date, 29 percent of its employees car pool to work, saving an estimated 8,615 gallons of gasoline per year.
- McCormick Distilling recently began working with the Missouri Department of Conservation and its business partners to develop 40 acres of land around the distillery. By planting 360 indigenous trees, McCormick's "Forest 360" campaign will help to reduce carbon dioxide (CO₂) and greenhouse gasses equivalent to 720,000 pounds of absorbed CO₂ during the lifetime of the trees.
- With the success of 360 Vodka, McCormick is now incorporating the eco-friendly bottling, packaging, labeling, sales, and marketing techniques into other products in its portfolio, which include McCormick Vodka, Tequila Rose, Tarantula Azul, and Wiser's Deluxe Canadian Whiskey.

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