

March 26, 2019

## **Market Update**

Plastic Bans, Transportation Challenges

## **Plastic Bans**

In the U.S., it appears plastic bans have become a regularly discussed topic among municipalities. The map below showcases a variety of municipalities and businesses across the country where bans have been imposed and announced.



"California has been very cutting edge with purchase requirements, and they have a legislative body that's very focused on sustainability – you saw the shift away from Styrofoam cups and plastic straws begin there, and those policies are spreading around the rest of the country"

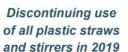
 Former Director of Operations, Aramark

Those discussions have now spread to some state legislatures, which are now looking at statewide bans. For example, the state of Maryland is moving toward banning plastic foam food containers statewide. The state's House of Delegates passed a bill banning the sale of polystyrene containers and cups and use by food service businesses and schools. Should the Governor sign the bill into law, it will become effective July 2020.

Additionally, the states of Hawaii and New Jersey have become heavily involved in these discussions as well. Hawaii has a bill circulating that would impact the use of plastic bottles, straws, cutlery and foam containers by restaurants and government agencies by 2022. In New Jersey, the bill would ban Styrofoam beverage & food containers, plastic bags and plastic straws from retailers and restaurants across the state. No proposed date was included in the bill.

There have been some large chains voicing their opinion as well.







Discontinuing use of polystyrene cups by the end of 2020



Phased out use of polystyrene packaging globally in 2018



Eliminating plastic straws globally by 2020 AmerCareRoyal will continue to stay ahead of this wave of regulatory and self-imposed bans. Remember, PrimeWare® by AmerCareRoyal offers eco-friendly, compostable solutions to meet the criteria for many of these local and state regulations.

## **Transportation**

The trucker shortage is nothing new. It is a problem that has plagued distribution for guite sometime now and distribution companies are raising delivery fees. Trucking companies have

tried increasing pay for drivers, recruiting more women and recently pursued legislation to drop the minimum age for long-haul drivers from 21 to 18.

Transporting goods via train has been an alternative for some, but even those rates continue to rise and most involve trucking to and from pick up and drop off points. With the recently imposed tariffs on parts coming from China and fuel increases, costs of transportation are not showing any sign of decreasing soon.



Our team of dedicated AmerCareRoyal employees, living and travelling overseas are working with our manufacturing partners to ensure our supply chain is minimally impacted by market pressures. As we receive new information around market impacts, we will keep you informed.

Thank you for your business!

Nick Levandusky

Director of Marketing AmerCareRoyal

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