

Greener Grocers

Food retailers are reducing their energy usage as 2020 nears.

By Laura Liebeck

Grocery chains across the country are making substantive progress toward their 2020 sustainability goals. With four years to go, chains are checking off their accomplishments one by one — from installing LED lights in stores and parking lots to placing motion sensors in refrigerated cases — and adjusting their to-do lists with additional objectives that will strengthen their long-term green goals, deliver bottom-line results and impress shoppers.

“Things are tracking well,” affirms George Parmenter, sustainability manager at Salisbury, N.C.-based Delhaize America, parent company of Food Lion and Hannaford, not-

ing that the company’s 2020 goals are still a work in progress. Parmenter adds that Delhaize America’s goals weren’t meant to be easily achieved and were thoughtfully structured. “If we had achieved any of them, the business would be asking if the goal was stringent enough, and that would mean that we didn’t have the right goal,” he explains.

Marissa Nelson, SVP responsible retailing and healthy living at Quincy, Mass.-based Ahold USA, parent company of Stop & Shop, Giant Carlisle, Giant Landover, and Martin’s Food Markets — and soon to merge with Delhaize America — concurs, telling *Progressive Grocer* that she’s “very pleased with our sustainability program. Our results were driven largely by innovative, out-of-the-box



ECO-FRIENDLY ENDEAVORS

Delhaize America’s Food Lion and Hannaford stores employ signage informing customers of their green initiatives, including LED lights in refrigerated cases and water-saving seafood cases (top images). Operationally, the stores collect cardboard for recycling and check produce sell-by dates for waste management (bottom images).



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—Marissa Nelson,
Ahold USA

thinking that was applied across all business areas to deliver on our aspirations and goals. Indeed, we have traveled this road as one Ahold USA team, and for the next five years we will continue to push the envelope to reach ambitious targets in key areas of food insecurity, food waste, healthier eating and reducing our carbon footprint.”

With more than 1,100 stores between them, both companies boast finely tuned sustainability programs that are thoughtfully executed and appear to have complementary long-term goals.

According to Parmenter, Delhaize America and Ahold USA are “companies with similar ambitions and sustainability objectives, and together we’ll be able to push our ambitions further.

There’s an interesting synergy that can happen, and as soon as we can begin sharing, there will be some exciting energy.”

New Targets

The environment for sustainable progress is fertile throughout the grocery industry. Of course, each chain’s various goals are in different stages of completion. Sunbury, Pa.-based Weis Markets revealed in May that it had surpassed its greenhouse gas (GHG) emissions reduction goal five years ahead of schedule. Instead of cutting emissions by 20 percent by 2020, in 2015 the chain achieved a GHG emissions cut of 22.1 percent.

“Hitting this important milestone five years ahead of schedule gives us the opportunity to continue to explore new initiatives and technologies that will further reduce our impact on the environment and streamline efficiencies in our operations,” notes Weis

Markets President and CEO Jonathan Weis.

He’s not alone. Grocers nationwide are setting new targets that will provide each of them with a game plan to further reduce their energy footprint and meet new challenges. Continuing goals remain to increase the use of renewable energy sources, curtail water usage, reduce waste sent to landfills and enhance recycling, as well as to offer only sustainably sourced fish, coffee, tea, cocoa and palm oil. Goal adjustments are being made to account for changes in information and technology that are providing new and improved solutions that enable retailers to update their timelines.

Delhaize America, for example, strengthened its commitment to deforestation initiatives when new information became widely known about forests devastated by the harvesting of wood fiber, palm oil and other commodities. The company is now working toward increasing the recycled wood fiber content in its private-brand packaging to 90 percent or requiring Forestry Stewardship Council certification by 2020.

For its part, Rochester, N.Y.-based Wegmans Food Markets uses secondary refrigerants for its medium-temperature cases and has begun using natural refrigerants on a case-by-case basis for frozen areas as part of its efforts to reduce the company’s carbon footprint. Wegmans is also working to capture more plastic to expand its plastic bag-recycling program. Currently, the grocer is collecting and recycling 50 percent of each store’s plastic, with an ultimate goal to collect and recycle all plastic.

Wegmans is on a “journey to zero waste,” says Jason Wadsworth, sustainability manager for the 89-store chain. “Our goal is to not waste anything, and we’re always looking at ways to get there.” Wegmans started a pilot program in one store in January to see how far it could get by focusing its efforts and documenting its progress. The store is now diverting 72 percent of its waste, and should hit 80 percent by year-end. Other Wegmans stores divert 62 percent of waste.

Waste Not

Waste management has become a hot-button issue for many retailers to achieve their zero-waste goals. Multilayered programs are emerging that feature enhanced efforts to divert edible food to local pantries that feed the hungry, scraps that go to farmers for animal feed, and the balance to composters for, among other things, biofuel (biogas). The keys to success with these programs are clearly stated corporate goals and procedures, as well as educated store-level associates who implement the waste management program on a daily basis.

“We’re able to show the impact of a recycling program to our [stores], and show them and provide them the positive impact composting has on the environment and their P&Ls,” explains Ahold USA’s Nelson. The grocer has “green captains” who help



WANT NOT WASTE

Many grocers are reducing waste by donating “ugly” yet edible items to food banks.

stores ensure “waste success,” as they’re the ones on the front lines of the program.

In April, Ahold USA opened a green energy facility in Freetown, Mass., that’s expected to process about 95 tons of inedible food per day and an estimated 34,000 tons per year. The energy produced by the 12,000-square-foot center will provide up to 40 percent of the energy needs of the company’s 1.1 million-square-foot distribution center in Freetown—enough power to operate the facility for four months. Once fully operational, the facility will create approximately 1.25 megawatts of clean electricity.

Key to the green energy facility is the anaerobic digester (AD), a new addition to Ahold USA’s sustainability efforts. ADs weren’t on many people’s radar six years ago, including Ahold USA’s, but the company is already exploring a 2.0 version that’s more expedient and less capital intensive, according to Nelson.

Delhaize America also has an AD program. Having joined forces with a dairy farm in Maine that works with the grocer’s 40 area stores, the company is now looking to scale up the initiative. Overall, Delhaize America stores nationwide diverted 20.2 million pounds of food from landfills last year, up 10 percent from 2014. A higher reclamation rate is expected for 2016, with 90 percent to 92 percent of stores engaged in community relationships that are making this possible.

At West Des Moines, Iowa-based Hy-Vee, food waste has emerged as a key component to its sustainability efforts. Currently, the retailer diverts more than 2 million pounds of food waste from landfills every month. Some Hy-Vee stores sell the compost from their food waste-recycling efforts to customers, or use the compost to fertilize the grocer’s community garden plots.

“Food waste diversion is a key component of Hy-Vee’s overall sustainability efforts,” affirms Pat Hensley, the company’s SVP nonfoods, who oversees its sustainability efforts. “Over the course of the past year, we have dramatically increased our efforts to divert food and other organic waste from landfills, because we felt it was the right thing to do. It’s also evident our employees understand the difference they are making on the environment, and that is something they are taking great pride in.”

According to Hy-Vee, one ton of recycled inedible food waste saves three cubic yards of landfill space, eliminates about 5,000 gallons of methane, helps retain 300 gallons of water per acre as compost and reduces the need for agricultural chemicals, and generates about 800 pounds of soil-enriching compost.

Charging Ahead

Industry-wide, other sustainability program enhancements now include electric car-charging stations, rooftop solar arrays and rain catch-



ment systems. While none of these were part of grocers’ original goals, or only mildly so, they’ve continued to gain momentum as new technologies and financial incentives have made such accomplishments possible.

Hy-Vee is further down the road than many, with 103 electric car-charging ports at 32 stores in five metro areas, up 25 percent from 2014. Delhaize America is getting ready to flip the switch on a 10-store test of electric charging stations at Maine Hannaford stores, which will fully charge a car in 30 minutes, about the time it takes to complete a weekly food-shopping trip. While Delhaize America is interested in the car-charging program, Parmenter notes that it’s not a big focus area, “because it doesn’t reduce our carbon footprint. It’s more about being a productive member of the community.” Ahold USA currently has three sites, all in Massachusetts, and is adding two more locations, one each in Maryland and Connecticut. Nelson says the company is working on a long-term strategy for this initiative.

Meanwhile, solar panel arrays are cropping up on more store rooftops as installation costs decline. Ahold USA currently has 41 solar-powered stores and three others run by fuel cells, while Hy-Vee employs solar panels to power parking lot lights and has installed rooftop systems on some of its convenience stores. Wegmans is slowly expanding its rooftop solar program, with panels on three stores in New York, one office building and one distribution center. According to the company, placement is based on a case-by-case basis and requires a clear span on the roof, which also supports the store’s refrigeration unit.

Rain catchment is also gaining some attention among retailers. Austin, Texas-based Whole Foods Market recently opened a cutting-edge location in San Jose, Calif., that catches rain to feed the store’s landscaping, while Wegmans has been collecting rainwater for some time, and Ahold USA’s Nelson says that the topic is “ripe for conversation.” **PG**



KEEP ON TRUCKIN’
A GreenRU truck visits a Hy-Vee store to collect organic waste.

“

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—Pat Hensley, Hy-Vee