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Perrigo Targets Recyclable Blister Packs In Push To Become 'Genuinely Sustainable'

by David Ridley

"We are actively researching how to be the first OTC pharmaceutical firm to have a blister strip that satisfies regulations that is also recyclable," reveals Perrigo's sustainability chief Steve Ramus in an exclusive interview with HBW Insight. Ramus also talks about the importance of being genuine when approaching ESG strategy.

Perrigo Company plc wants to be the first consumer healthcare player to overcome the tricky problem of delivering its OTC medicines in recyclable pill packs.

"If we can send rovers and land on Mars then we should be able to find a way to have a barrier for our medicines that preserves their efficacy and safety while being environmentally friendly," insisted Perrigo's head of Corporate Social Responsibility Steve Ramus.

"We are actively researching how to be the first OTC pharmaceutical firm to have a blister strip that satisfies these regulations that is also recyclable," revealed Ramus, in an exclusive interview with HBW Insight.

Schemes like TerraCycle – which melts and remolds single use plastics into new recycled products, such as park benches and picnic tables – are a good short-term solution to the pill pack problem, Ramus acknowledged.

"TerraCycle is a great program and we leverage them where we can and where we're able to," he continued. "But the goal is to design for recyclability and not need the program."

Being Genuine

Sustainability and Environmental, Social, and Governance (ESG) – a new metric that reflects a

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growing importance for both consumers and investors of non-financial corporate purpose – has become a huge trend within the consumer healthcare industry since the coronavirus pandemic.

The world's largest OTC firms, including GSK, J&J, Reckitt and Sanofi, have all committed to ambitious sustainability targets since the beginning of the year.

While Perrigo has not officially released its updated sustainability targets, the firm's Consumer Self-Care International division head, Svend Andersen, told HBW Insight that, as well as recycled packaging ambitions, it will source 100% of its electricity from renewable sources by 2026.

Ambitions are good, Ramus said, but the key to ESG for Perrigo, however, is to really mean it.

"We need to be genuine," he insisted.

"And being genuine means not only identifying and understanding the risk of climate change and reacting to that but trying prevent it from happening."

"It speaks to the culture of the company – are you building things because you know it's the right thing to do?" he asked, rhetorically.

Perrigo's Svend Andersen Sees 'Revolutionary' Role For Digital Self-Care

By David Ridley

10 May 2021

Digitalization, sustainability, CBD and probiotics are consumer health trends that Perrigo Plc's executive vice president Svend Andersen considers in this wide-ranging exclusive interview with HBW Insight.

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Furthermore, genuine companies make more money, Ramus explained, and are more likely to ride out black swan events like the coronavirus pandemic.

"Whenever anything bad happens in the world, whether it's an economic down turn or a global pandemic, at the end of the day, those companies that are genuine, that are genuinely sustainable or trying to be sustainable, that are investing more, they weather storms a lot better," he said.

Behavior Change

Alongside identifying risks associated with climate change and building a genuine culture of sustainability within a company, the other key piece of the puzzle, for Ramus, is finding out what consumers and customers want, and delivering that with brand and product innovation.

Given Perrigo's footprint in both white-label and branded OTC markets, the company is in a unique position to follow consumer behavior change.

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The problem, however, is that consumers, while becoming ever more conscious of the environmental cost of carbon consumption, are not as willing to bear some of the costs of switching to sustainable options, according to Ramus.

"It's hard for a business to justify spending and investing a lot of money on sustainability when consumers aren't willing to do the same," he insisted.

"That's not to say that should prevent us," he added. "As I said, being genuine isn't about making money, it's about doing the right thing. And the money will come if you do the right thing. I firmly believe that."

"But that direct link would be nice," he lamented. "If you could say, 'If we make this package recyclable, we're going to get 20% more sales,' that would be awesome. But that's just not the case."

Retailers – Perrigo's white-label customers in the US – on the other hand, have been pushing for sustainable options for a while now, Ramus revealed.

Growing Concern

Already in the early 2010s, Perrigo's customers – the "biggest retailers in the world," he said – wanted sustainable options, which made the business case for Ramus' CSR strategy much easier to make.

"We're talking ten plus years ago when the business case for sustainability wasn't as clear as it is today," he added.

Ramus joined Perrigo in 2005 as HR Performance Analyst. When he took on job of managing the company's corporate social responsibility operations, Ramus said he was not "traditionally qualified" for the role, but was "passionate."

"Over the years my role has grown exponentially," he continued. "Now, it's a global corporate function spanning so many different areas."

"I love the variety, I love the impact. But it's not easy," he reflected. "It's exceptionally complicated but leveraging what our customers want is a core value of Perrigo and always has been. That was a great place to kick start what has become Perrigo's ESG strategy today."

As for more detail on what else might be in the updated sustainability targets, for example specific OTC brands that might be leading the charge, Ramus said it is too early to say.

"We haven't identified a flagship brand yet," he noted. However, Ramus said that he is working

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with marketing colleagues to see "what makes sense for Perrigo."

"At the end of the day," he concluded, "our goal here is getting our back yard cleaned up and making sure we're being genuine."

"Because it's our belief that once that happens, once you are in a spot where we feel that we can look our kids in the eye and feel good and that we're doing everything we can, then any sustainable brands that we introduce are going to be far more likely to be successful."