

# Ripples & Waves

The South African National  
Bottled Water Association

September 2009

## Chairman's address

For the past eight years my post winter chairman's address has always opened with the same message, which reads along the lines of 'congratulations once again to our bottled water industry for again showing a 20% to 30% by volume increase of sales over the previous year'. Well, the sleigh ride has leveled out somewhat. I was expecting the financial downturn to hit the bottled water business very hard, and for us to experience a big downturn and loss of sales. Much to my great surprise this is not so, and we have actually experienced an increase of sales once again, albeit nowhere near as high as previous years.

At our well attended May 2009 AGM, Shawn Henning of BMI ([www.bmi.co.za](http://www.bmi.co.za)) showed the audience that our business increased year-on-year by 18 million litres, from 352 to 370 million litres. This is an increase of just more than 5%. The breakdown per category of bottled water was: Still water +6.3%, sparkling water +4.9%, still flavoured water +11.2% and sparkling flavoured water +1.5%.

But why was I surprised? I guess I am at an age where I still have residual thoughts that bottled water is somewhat a luxury, and not a necessary consumable item. If bottled water was a luxury, it would have been one of the first of the luxuries that would be culled in the current cost saving environment, and we would not have seen a growth in volume sales. Such growth in the midst of financial trouble is a strong indication that bottled water in South Africa has now moved into the realms of a regular consumer item. Good news indeed for our industry.

Most readers will be aware of the international pressure on consumers to reduce consumption of bottled water in order to reduce the amount of PET packaging used in order to maintain eco-friendly, green awareness. Human nature being wonderfully opportunistic has seen some folk promote the usage of additives which is claimed to result in bio-degradable PET. In line with our environmental awareness this is a development that we must consider - with implications that your directors have resolved to study and understand - and then duly release a position statement. At first glance it's all very appealing, i.e. an environmentally friendly solution to dispose of the many kilograms of PET packaging that our and other food industries use and produce. However, there are two very important aspects that indicate that this could be a poor option.

The first is that this will jeopardise the new and relatively fragile PET recycling industry. This industry is supported and promoted by Petco ([www.petco.co.za](http://www.petco.co.za)), and they have released the following figures: the industry currently collects 22 000 tons of PET for recycling per annum, the industry employs 12 000 people directly and indirectly, and is about to open a factory that will recycle PET to produce food grade PET chip, called rPET. ("SA's food grade 'PET chip'" Food & Beverage Reporter July 2009 [www.developoptechnology.com](http://www.developoptechnology.com)). Using additives that allow PET to degrade will endanger these ventures. This is because PET, containing additives for degradation, is useless and worthless for recycling. The other extremely important and rather technical reason not to support the addition of degrading additives is that this will actually increase the carbon footprint of PET packaging. The carbon footprint of recycled PET is 28% that of raw PET, or 0.5 ton versus 2.0 tons of CO<sub>2</sub>.

Returning to the aspect of international pressure on reducing purchases of bottled water, there are two points to bear in mind. Many municipalities, to much press fanfare, have banned the use of or sale of bottled water from their properties. If you consider that these municipalities spend large amounts of money to treat and distribute pipeline water, and charge their ratepayers money for this pipeline water, then for them to buy bottled water implies that they do not trust their own product. I must say, that if I was a city mayor or city manager, I would also ban bottled water from premises under my team's control. However, it should be about preserving the consumers' right to choose a healthy beverage alternative at any point of sale.

The other aspect which is often emphasised by the anti bottled water campaigners, is the amount of water that is pumped from the aquifers, and the consequent claims that this resource is being depleted. To assume that a business would spend a few million rands on a bottling plant, and then pump the aquifer dry, is just ridiculous. This just does not happen.

The bottled water business in South Africa sells 370 million litres per annum which sounds like an enormous amount of water. The quantity of water used by our industry is a non-issue, especially in South Africa where legislation covering the use of groundwater is well developed. However, if one analyses this number, it in fact this works out to the same amount of water that a single 18-hole golf course uses. It is estimated that we employ 1800 people directly and indirectly, this is many more than a single golf course does. I have done this analysis in detail and it is presented on our website [http://www.sanbwa.org.za/enviro\\_stewardship.asp](http://www.sanbwa.org.za/enviro_stewardship.asp)

Yours in quality,  
John Weaver



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