

The Tessy Plastics Sustainability Transformation Story



It took Tessy Plastics, a contract manufacturer founded in 1973 and based in upstate New York, five years to go through a complete sustainability transformation journey. Propelled by a poor CDP result and a low score on the first EcoVadis Assessment, Tessy Plastics took a 180-turn and transformed into a model sustainable supplier. The company set a new bar for contract manufacturers' sustainability performance worldwide and experienced tremendous growth and prosperity as a result.

\$ 350M

manufacturer of packaging, primarily for consumer and medical goods.

Location

HQ in Skaneateles NY with operations in Elbridge, NY, Syracuse, NY and Shanghai China.

1,000+

Employees

90+

Tier 1 Suppliers

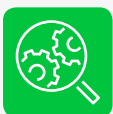
The Wake Up Call

Tessy Plastics has kept a small-town, family-owned spirit in its everyday operations. It was this spirit and "can-do" attitude that helped the company confront and conquer the sustainability challenges when, in 2010, primary customer Johnson & Johnson requested more visibility into Tessy's risk management systems as part of a proactive risk mitigation initiative. Johnson & Johnson asked all suppliers to complete an EcoVadis assessment, with a target score

Tessy Plastics performed significantly below the target. Cindy Bush, Director of EHS at Tessy Plastics, describes the initial assessment as "a gift from Johnson & Johnson and EcoVadis," as it gave her team a powerful roadmap with insights and tools to help turn around the company's performance.

Motivated to preserve the Johnson & Johnson relationship, Cindy Bush and the Tessy team prepared an ambitious set of goals and strategies and charted a path forward.

According to Bush, these three actions provided the foundation for Tessy's eventual success:



The CDP and EcoVadis results were taken seriously;



Tessy set measurable, publicly-declared targets;



A meaningful Corrective Action Plan was launched along with collaborative performance improvement tools within the EcoVadis platform.

An Ambitious Response



UN Sustainable Development Goals

Strategies

Established injury prevention/management program. Provide access to fitness center. Provide parts/products that enable essential surgery and health care.

Implemented supplier assessment and auditing process that addressed responsible sourcing targets and established waste reduction programs.

Results

Decreased Workers' Compensation Experience Modification Rating to .59.

Received response rate of 75% of suppliers. Of those, 21% have reduction targets.

CDP score at leadership level of A- for Climate Change and Water Management.



Reduce GHG emissions using intensity targets

- Sales \$ to mton CO2E target of 5%
- FTE to mton CO2E target of 5%
- Sq ft mton CO2E target of 4%

Strategies

Setting intensity targets is a way to define a reduction in GHG emissions relative to a measurement of business activity (for example, reduce CO₂ per square foot).

Results

% to Sales 21.57%

% to FTE 22.35%

% to Sq ft 30.27



Scrap reduction from 2.30% to 2.25% by end of 2020.

Strategies

Reviewed with Quality on Waste reduction projects, waste reduction projects are entered into CARs and these are reviewed monthly by Quality and other key personnel.

Results

Exceeded target and reduced scrap to under 2.20%.



Trash reduction: 1lb per employee per day by end of 2018.

Strategies

Reviewed our general plant trash to determine which categories created the most waste. Added color-coded recycling containers for consistency throughout all plants i.e. yellow for shrink wrap/plastic bags, blue for paper. Collaborated with local research to find other ways to reduce and repurpose scrap.

Results

At end of 2017, reached 1.36 lb per employee per day - a decrease of 15% from prior year.



35% renewable energy by 2020.

Strategies

In 2007, Tessy Plastics joined Recharge New York. Under this contract, it receive a minimum 25% of direct hydro power for two facilities. To continue helping reach its goals, Tessy purchased approximately 10% wind-based energy in 2016. This goal, along with absolute emissions, will increase direct use of renewable energy.

Results

Reduced absolute emissions by 7.6% using the location-based method



Reduce absolute emissions by 20% by end of 2030.

Strategies

Research feasibility of solar energy generation at Skaneateles Plant. Switch out old lighting to LEDs. Continue to look for energy efficient equipment and remove from service older and less efficient equipment. Add occupancy sensor in areas that are not active.

Results

18.5% of our total electrical consumption comes from intentional purchase of renewable sources.

From Zero to Hero

Within a year, Tessy's primary customer relationships were saved. Moreover, the company embarked on a new trajectory for growth. Within five years, as Tessy dramatically improved its sustainability performance and EcoVadis score, the company grew from a 300,000-sq ft operation in New York to 1.5 million-sq ft operations in New York and Shanghai, and simultaneously became Johnson & Johnson's high-performing manufacturer for plastic parts in terms of revenue, diversity, sustainability and EHS leadership. In 2015, Tessy was recognized by Johnson & Johnson with a Supplier Sustainability Award.

Drivers / Challenges

- Obtained a very low score on its first EcoVadis assessment
- Failed an audit conducted by primary customer Johnson & Johnson (J&J)
- The J&J relationship was put into immediate jeopardy
- Realized the need for radical change to ensure primary customer retention

Actions

- Launched a Stewardship program to gain momentum and internal buy-in
- Focused initially on strength areas (e.g., health & safety) and then broadened scope to other CSR areas
- Obtained key mgmt system certifications, set its own CSR targets and waste reduction scheme, and began CDP reporting
- Used the EcoVadis assessment, Score, and Corrective Action Plans as the guide to improve their CSR performance

Results / Benefits

- Dramatically improved their EcoVadis score and CSR performance year over year
- Within five years, grew from a 300,000-sq ft. operation in NY to 1.5 million sq. ft. operations in NY, Virginia, and Shanghai
- Once J&J's lowest performing supplier, became their leading manufacturer for plastics parts, in terms of revenue as well as diversity, sustainability, and EHS leadership
- In 2016, Tessy became an EcoVadis Enterprise customer and now assesses their own suppliers and provides them the same opportunity and tools they were given

"This wasn't an easy journey but it was so worth it."

Cindy Bush, Director of EHS, Tessy Plastics

Tessy was recognized by Johnson and Johnson in the [2017 Health for Humanity Report](#) where it was highlighted in a [featured story](#).



Next Step: Addressing the Supply Chain and Extending the Success

In 2016, Tessa Plastics became an EcoVadis Enterprise customer and is now monitoring its own suppliers' sustainability performance, delivering the same measurement tool and guidance to its own supply partners. Tessa has used its sustainability profile and EcoVadis assessment score as a differentiator and leverage this success with other customers.

Tessa continues to strive to achieve its environmental objectives. Emission reduction goals are on track. The waste reduction goal of 1lb (0.5kg) waste per employee per day was not achieved in 2017 but Tessa continues to work on this goal by increasing employee education, reducing waste streams by increasing recycling options, engineering solutions such as light-weighting products, and continually working with customers to reduce packaging.

Tessa Plastics in the Spotlight

On July 20, 2017, Ms. Bush spoke at the United Nations Headquarters in New York City about the role the private sector -- especially small and medium-sized businesses -- plays in accelerating progress toward the Sustainable Development Goals (SDGs). Bush spoke to the fact that by transforming the company's sustainability performance, Tessa Plastics was able to advance the SDGs by setting a new, global bar for manufacturers' sustainability initiatives, while simultaneously preserving the loyalty of Tessa's customers.



Cindy Bush,
Director of EHS, speaking at
the United Nations, July 2017



Cindy Bush's Secrets of Success

Are you inspired by Tessy's story? Take a few lessons from Cindy Bush's playbook to get your initiative in gear. You just might find yourself sitting at the UN one day as well!

- Get key stakeholders into a room to talk through objectives, projects and action items face-to-face;
- Prepare answers for what's-in-it-for-me arguments from all involved parties;
- "Crack codes" like the CDP questionnaire by taking the time to understand what is being asked and lean on third-party support where needed;
- Break down objectives so they are easily understood, personalized and adopted by all company employees;
- Avoid using overly trendy and vague terminology to describe your initiative and opt instead for language that resonates with your internal company culture.

Company Growth from 2010

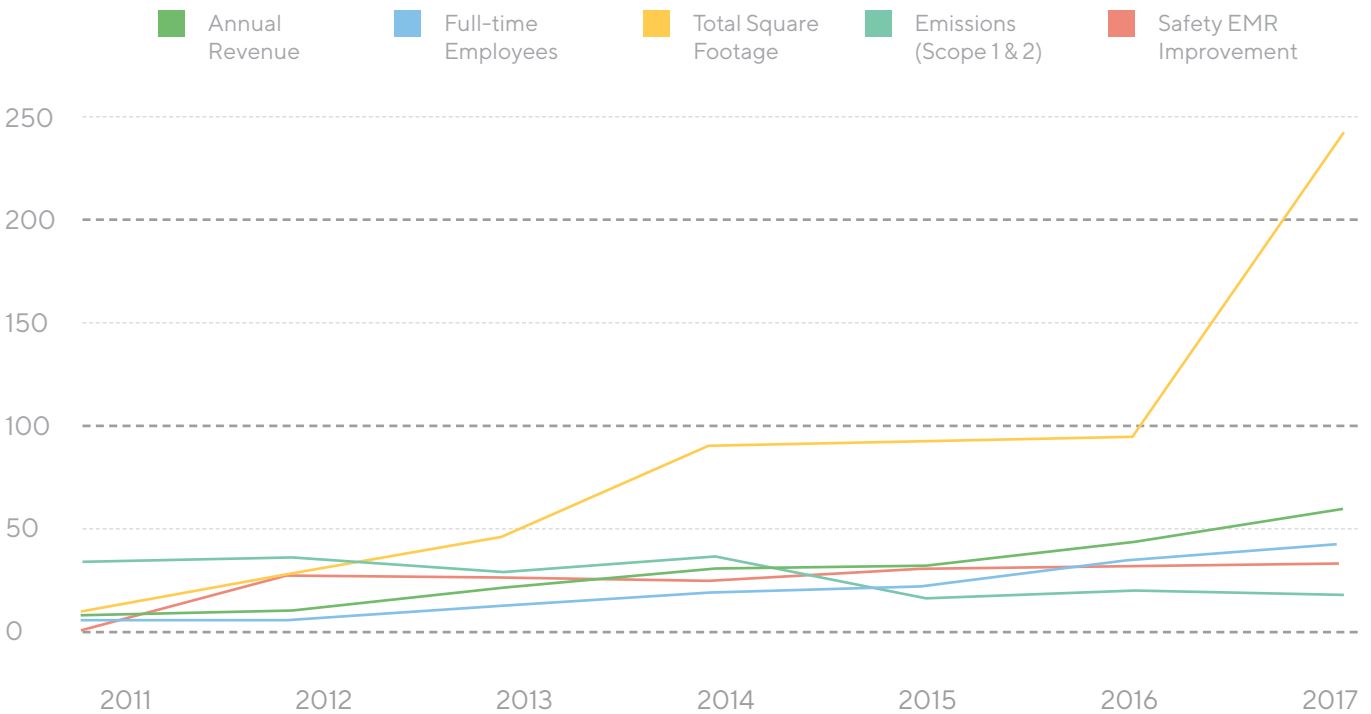
274%
Square Footage

59%
Revenue

41%
Employees

32%
Improvement in Safety EMR

18%
Emissions



About EcoVadis

EcoVadis is the world's most trusted provider of business sustainability ratings, intelligence and collaborative performance improvement tools for global supply chains. Backed by a powerful technology platform and a global team of domain experts, EcoVadis' easy-to-use and actionable sustainability scorecards provide detailed insight into environmental, social and ethical risks across 198 purchasing categories and 155 countries. Industry leaders such as Johnson & Johnson, Verizon, L'Oréal, Subway, Nestlé, Salesforce, Michelin and BASF are among the more than 55,000 businesses on the EcoVadis network, all working with a single methodology to assess, collaborate and improve sustainability performance in order to protect their brands, foster transparency and innovation, and accelerate growth. Learn more on [ecovadis.com](https://www.ecovadis.com), [Twitter](#) or [LinkedIn](#).

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