



## 2023 Continuance Referendum Frequently Asked Questions

*Here are answers to the most frequently asked questions about the industry vote.*

### REFERENDUM NUTS AND BOLTS

**Q: What is a continuance referendum and how does it work?**

**A:** The Paper and Packaging Board was established January 21, 2014. Our [Order](#) requires the industry to hold a “continuance referendum” no later than every seven years to vote on whether or not to continue the program. Company designees will receive a mailed paper ballot and an electronic ballot via email with a simple yes or no question about continuing the program. Voting will take place between October 6 and 20, 2023.

**Q: Who is eligible to vote?**

**A:** Manufacturers and importers who manufactured/imported 100,000 tons of paper and paper-based packaging or more during 2022 and are current in their payments. See the [Order](#) for more information.

**Q. What is the current assessment rate?**

**A:** The rate is .35 a short ton. Companies manufacturing 100,000 short tons a year or more are legally required to pay.

**Q: When is the voting period?**

**A:** Voting will take place between October 6 and 20, 2023.

**Q: Who runs the referendum and when will the results of the vote be available?**

**A:** The USDA runs, tallies and reports the results. USDA reports the results as quickly as possible. Results are anticipated no later than November 2023. For the program to continue, a simple majority of those voting must vote yes and represent a majority of the voting volume of paper and paper-based packaging. Learn [more](#).

**Q: Assuming the referendum is approved, how long does it continue until the next one?**

**A:** Our [Order](#) stipulates seven years between referendums. However, a referendum can be called sooner than 7 years at the direction of the P+PB Board of Directors, the Secretary of Agriculture or by 10% of paying companies. The first referendum fell during Covid in October 2020. Recognizing the unprecedented nature of a global pandemic, the board agreed to check in 3 years later in October 2023.



## CAMPAIGN ACCOMPLISHMENTS

### **Q: What has the campaign accomplished since the last referendum in 2020?**

**A:** Our 2023 [State of the Campaign report](#) recaps progress against key reputation measures along with measures of consumer preference. The campaign's message changed in 2021 to focus on the industry's unrivaled sustainability story. Campaign metrics show that sustainability is resonating with consumers, customers and the industry – setting the paper industry apart from other competing materials and creating a more favorable marketplace as a result for paper and packaging manufacturers and downstream companies. Since advertising first hit the market in July 2015, reputation metrics are at all-time highs.

### **Q: If the industry votes to continue with the campaign, what will it address in the future?**

**A:** P+PB's Board of Directors have directed the staff to develop a 2024 plan that builds on and continues our laser focus on the industry's sustainability story including the industry's stewardship of America's forests, investment in state-of-the-art recycling infrastructure and product innovations that can be recycled and eliminate waste. In addition, the campaign will expand its target to reach more consumers.

### **Q: What is the business case for continuing with the Paper and Packaging Board program?**

**A:** The program addresses several related business objectives that speak to a range of issues facing the paper and packaging industry that the board believes an ongoing consumer conversation can support.

- Increase residential fiber recovery;
- Showcase paper innovations and plastic substitution;
- Reduce guilt about using trees, a renewable resource;
- Promote sustainable features that customers want in their consumer product and shipping packaging and paper provides; and
- Buffer against attacks and threats to the industry.

### **Q: Are there other benefits to continuing the campaign?**

**A:** Yes. In addition to taking on multiple business objectives the campaign has:

- **Created a unified voice in the marketplace.** Sharing the industry story of renewability, innovation and recycling leadership with consumers and customers benefits ALL! companies with markets in the U.S.
- **Generated robust consumer engagement,** most recently in our papertarian campaign and other consumers initiatives.
  - ✓ 3 billion impressions (July 22, 2022 – June 23, 2023); 734 million video views, 23 million social engagements and 3 million website visits
  - ✓ Growing adoption of the Box to Nature residential recycling initiative and EMPTY. FLATTEN. RECYCLE. message on residential e-commerce boxes



**Q. Are there any other campaign benefits to consider?**

**A:** Yes. The campaign has continually met the moment promoting the right message at the right time. There has never been a more important time in the last eight years to have a proactive voice in the marketplace, especially as concerns about climate change intensify and our competitors invest in campaigns of their own. Finally, the campaign leverages the deep knowledge of the staff and participating companies. Renewal comes with no startup costs and a large learning curve behind us. P+PB is a well-oiled machine ready to meet the evolving needs and expectations of companies paying for the campaign, responding to market conditions and industry priorities just as we did in 2021.

**OTHER COMMONLY ASKED QUESTIONS**

**Q: What is the campaign's annual budget?**

**A:** The amount of the assessments collected varies from year to year. However, the campaign spends an average of \$24M annually.

**Q: Does the campaign generate enough money to be effective?**

**A:** Yes, absolutely. Because we have been very strategic in identifying those consumers who provide the most value to the industry, we have made our dollars go further rather than just talking to anyone 18+. We also work with a world class media firm that has proprietary targeting tools to help us reach the right consumers as well as possessing significant buying clout.

**Q: Are there other checkoffs who failed or been discontinued?**

**A:** We are not aware of any successful checkoffs discontinuing their programs because they have solved their challenges. Successful checkoffs continue to leverage and build on their successes for the benefit of their industries.

**Q: Will the assessment rate increase?**

**A:** The vote to continue the program will not change the current assessment rate. However, the rate has been in effect for 9 years. If the Board of Directors determines that a rate increase is needed in the future to meet the objectives of the campaign, USDA requires a formal comment period including an announcement in the Federal Register and a set period of time for the industry to provide feedback on any proposed change.