January 3, 2020

Dear IBWA Member:

As Chairman of the International Bottled Water Association (IBWA), I’m writing to thank you for your involvement in IBWA 2019. Your support has helped IBWA continue to be a very effective advocate for all bottled water companies – bottlers, suppliers and distributors – whether they are small, medium or large businesses. We greatly appreciate your commitment to IBWA and the bottled water industry and hope that you will continue to be part of this great organization by renewing your membership for 2020.

As a result of your support, IBWA was able to accomplish a great deal last year. However, because bottled water is now the No.1 packaged beverage product in the United States, we have become an even larger target for our detractors. Among other things, they continued their attempts to prevent bottled water companies from siting, permitting, and re-permitting their plants, and to ban the sale of our safe, healthy, and convenient products.

To counter their efforts, IBWA has developed a coordinated strategy that pushes back and presents the facts to the media, government officials, consumers, and other relevant audiences. IBWA’s dedicated team of members, staff, and consultants continue to work hard to promote and defend our industry. In particular, our efforts were focused on highlighting bottled water’s stringent state and federal regulations, our members’ environmental sustainability efforts, the safety of all bottled water containers, and the importance of water, including bottled water, in a healthy diet.

The new FSMA (Food Safety Modernization Act) regulations continue to be a very important issue for the bottled water industry. IBWA continues to provide timely information to our members about complying with these regulations through webinars, in-person seminars, Splash e-newsletter articles, Bottled Water Reporter magazine articles, and special member bulletins. In addition, IBWA offered FSMA education sessions during the 2019 IBWA Annual Business Conference, which was held November 18-21 in Anaheim, and more will be offered in 2020 through webinars and live seminars. Beginning in 2019, IBWA’s Tier 1 annual audit program began to assist members with advancing their facilities to the requirements of the FSMA Preventive Controls Rule. The program will again help members in 2020 to prepare for FDA and state FSMA-based inspections.
Regardless of your company’s role in the production and sale of bottled water, the many issues facing our industry can negatively impact your business. IBWA members, staff and consultants, along with our allies, will continue to work hard to represent the bottled water industry with facts and truth. We are committed to proactively promoting the safety and quality of bottled water and challenging the attacks, regulations and proposals that characterize bottled water unfavorably and/or would have a negative financial impact on our member companies.

**Please renew your membership today!** By renewing your IBWA membership, you will help ensure that we can continue to aggressively defend the bottled water industry against all negative proposals and proactively communicate the facts about our products to the media, government officials, activist groups and others.

As you complete your dues renewal form, please consider the challenges facing our industry in 2020 and the magnitude of the response needed to effectively challenge the increased scrutiny and criticism of bottled water. Also consider how the work performed by IBWA contributes to your ability to 1) successfully operate your business and assist you in producing a quality product, 2) meet new regulations and requirements, and 3) avoid unnecessary and burdensome laws and regulations that would negatively impact your company. The return on investment is significant when compared to the financial and other resources you would need to achieve the same results by yourself. I urge you to invest in your business and the industry by renewing your membership for 2020.

I am very proud to be part of the bottled water industry and I know you are too. And I’m very excited about the future of IBWA and the many opportunities available to the bottled water industry. Thank you for your continued support of IBWA. I welcome your comments anytime.

Sincerely,

Robert A. Smith  
Grand Springs Distribution  
IBWA Chairman

Enclosures:
- **2020 IBWA Dues Form**
- **2019 IBWA Annual Progress Report**
- **FSMA Brochure**
- **DWRF Flyer**
- **Why A Political Action Committee (PAC) Flyer**
- **2020 Audit Program Package (Bottlers only)**
Summary of Activities in 2019

Communications

- IBWA continues to aggressively defend and proactively communicate the facts about bottled water to counter the efforts of activists and bottled water critics who make false and misleading statements about bottled water products and the industry. Influencing the opinions of the media, consumers, legislators, regulators, and others involves promoting bottled water facts via a variety of methods—including social media (such as Facebook, Twitter, Instagram, YouTube, and Pinterest), traditional newspapers and magazines, news websites, and podcasts.
- IBWA anchors our pro-bottled water messaging around two websites: bottledwater.org and bottledwatermatters.com. Both websites allow visitors to quickly and easily get up-to-date facts, stories, economic data, and other useful information about bottled water. More than 20,000 people visit IBWA’s websites each month for science-backed bottled water facts, stories, economic data, and other useful industry information.
- Through IBWA’s communications assets, we are well prepared to share—and help our members share—bottled water’s healthy hydration story via a variety of platforms and materials: websites (bottledwater.org and bottledwatermatters.org), Bottled Water Reporter magazine articles (bottledwater.org/newsroom/bottled-water-reporter), reports/studies (bottledwater.org/reports-studies), press releases (bottledwater.org/news2019), image library (bottledwater.org/bottled-water-visuals), YouTube videos (youtube.com/user/BottledWaterMatters), and the “H2O In The Know” podcast—on iTunes (apple.co/2LS0Afv) and SoundCloud (bit.ly/2tcg0DE). Having such a variety of tools enables IBWA staff and members to quickly access up-to-date facts and messaging to share with customers, legislators, and the media.
- Because recycling education continues to be important to the bottled water industry, IBWA successfully launched two major social media campaigns in 2019 for our Put It In The Bin initiative: www.putitinthebin.org. “Can I Recycle This?” focused on recycling contamination issues, and “Plastic Facts” presented scientific information that is often ignored by mainstream and social media. With the help of members and our Put It In The Bin partners—like Keep America Beautiful, the National Association of PET Container Resources (NAPCOR), and the National Association of Convenience Stores—IBWA earned our best consumer engagement numbers, to date. As bottled water is predicted to continue to hold the title of No.1 packaged beverage, it is important that IBWA continues to encourage consumers to do the right thing and recycle their empty containers.
- Through IBWA’s social media programs, we are able to promote healthy hydration and educate supporters, critics, and consumers about bottled water. Our 44 YouTube videos (with almost 1 million views) cover a wide range of topics, including plastic safety, recycling, the value of recycled content materials, bottled water regulations, and bottled water’s role in emergencies/natural disasters. IBWA’s three targeted Twitter feeds have more than 5,800 followers. IBWA’s Facebook pages have more than 8,000 “likes.” And on Pinterest, more than 4,100 monthly visitors search our 15 boards each month, where we pin educational articles on healthy hydration, the environmental impact of plastic and recycling, BPA, bottled water’s role
during natural and man-made disasters and emergencies, and more. Those platforms let us speak directly with the public and the media, in real time.

- **IBWA continues to be the leading media resource for bottled water information.** We retain that title by swiftly correcting misinformation about bottled water in the news and using science and third-party sources to support our positions. IBWA’s standard practice is to respond immediately to online articles critical of bottled water, giving priority to major influencers such as CNN, Huffington Post, the New York Times, and the Washington Post. We also employ the traditional approach of sending letters to online news outlets requesting corrections whenever inaccurate information and images are used online. Engaging with the media, critics, consumers, and bottled water supporters in real time is vital and can directly impact the perception of the bottled water industry and our products.

**Environmental**

- In 2019, Beverage Marketing Corporation (BMC) issued an update to the IBWA rPET analysis for the years 2014 through 2017. This study represented 72.5% of the single-serve PET market by volume for bottled water. The study calculated the percent of the package containing rPET among bottle water companies using rPET and the average rPET content per bottle for all PET bottles.

Some observations from the study:
  - The percentage of PET bottled water packaging containing rPET has steadily climbed . . . from 3.3 % in 2008 to 18.2% in 2017.
  - The average percentage of rPET contained in all PET bottled water packaging has generally increased from 0.2% in 2008 to 3.8% in 2017 but has reached a plateau the last several years.
  - The average percentage of rPET contained in bottles containing rPET rose from 6.4% in 2008 to 21% in 2017.

- Even though the amount of water used for bottling water in the United States is very small, activist groups have been increasing their attempts to prevent bottled water companies from siting, permitting, and re-permitting bottled water plants. As a result, IBWA is developing a comprehensive strategy and campaign to fight these actions. The goal of these anti-bottled water efforts is to put the bottled water industry out of business. We will therefore need the support of all bottled water companies to make it clear to the media, government officials, and consumers that bottled water companies are legitimate enterprises that preserve and protect natural systems, enhance health, and contribute to the economic development of communities in which they operate.

- The IBWA Water Stewardship Best Practices Guide and Checklist was released in 2019. Developed by the IBWA Environmental Sustainability Committee, the voluntary guide provides a reference for current or prospective members to use with existing facilities and when developing new bottling facilities. The Water Stewardship Best Practices Checklist also provides a basis for members to self-audit their own water stewardship efforts.

- In October 2019 IBWA members and staff participated in a one-day tour and education program in the Greensboro, North Carolina area. The tour visited Envision Plastics in Reidsville. They are a leading recycler of HDPE plastics and supplier of innovative post-consumer resin (PCR) solutions from color sorted, to deodorized, to food-grade resins. The group also visited
Unifi’s Reidsville bottle processing center to observe the process of PET bottles being sorted and ground into flake in preparation for the REPREVE process. REPREVE is a brand of recycled performance fiber. The fibers are made from 100 percent recycled materials, including post-consumer plastic bottles and pre-consumer waste. REPREVE fosters a sustainable world by diverting billions of PET bottles from landfills and oceans.

- IBWA continues to support efforts to increase consumer awareness about the importance of recycling. We are a sponsor of The Recycling Partnership, a leading national organization promoting curbside and increased local recycling. In addition, IBWA is a member of the Florida and Michigan Recycling Partnerships, and the Northeast Recycling Council.

**Government Relations**

- IBWA continued its efforts to educate federal and state legislators and governors about the bottled water industry and to gain their support. IBWA staff and members had over 200 meetings on Capitol Hill with both members of Congress and their staff, and held state fly-ins in Sacramento, CA, Harrisburg, PA, and Albany, NY.
- IBWA continued strengthening relationships with key allies in 2019, working closely with the Nutrition Policy Institute and the National Drinking Water Alliance to promote healthy hydration in federal nutrition policies. Specifically, IBWA worked with these partners to send a Congressional letter urging USDA and HHS to add water to MyPlate. IBWA also worked with several other industries to gain Congressional support for the DRIVE Safe Act, a bill that would allow 18- to 20-year-olds to drive across state lines after completing a 400-hour apprenticeship program, and partnered with several state organizations to address legislative and regulatory threats across the country.
- In the states, IBWA monitored over 1000 pieces of legislation and nearly 400 regulations during the past year that would have impacted the bottled water industry. Recycled content mandates, bottled water taxes, and groundwater management continue to be major issues for the industry.

The 2020 elections will soon be upon us, and elections have consequences. The IBWA PAC continues to be a valuable tool for the industry to support federal officials who support the bottled water industry. In 2019, the PAC met its goal of raising $50,000, and we’re on our way or achieving the 2020 goal of raising $75,000.

**Technical and Education**

- IBWA continued to be an active leader by putting our technical and scientific expertise to work for your company. We analyzed FDA and state regulations, and assisted members in understanding and interpreting these regulations, and educated regulators on our industry’s operations to help ensure fair and sensible regulation of the industry. From routine information requests from the public and members, to assistance with technical regulations, IBWA is always available to help.
• IBWA continued to regularly follow and monitor the latest FSMA developments in order to assist our members in complying with all of the new regulations. This included providing important information about the key regulatory provisions—such as FDA’s revised cGMPs, new requirements for hazard analysis and preventive controls, record keeping, ancillary requirements (e.g., environmental monitoring), and revisions to IBWA’s annual inspection program. With FSMA compliance dates for all IBWA members in the past, we are providing our members with the information that they need to be prepared. Beginning in 2019, IBWA’s Tier 1 annual audit program began to assist members with advancing their facilities to the requirements of the FSMA Preventive Controls Rule. The program will again help members in 2020 to prepare for FDA and state FSMA-based inspections.

• As a major component of our 2018 FSMA education efforts, IBWA continues to offer Preventive Controls Qualified Individual (PCQI) workshops. All food facilities are required by the preventive controls rule to have a PCQI in-house. IBWA is here to help you comply! Watch for announcements about additional IBWA PCQI workshops in 2020.

• IBWA continues to meet with the FDA Center for Food Safety and Applied Nutrition staff about matters of vital importance to the industry. Topics include BPA, the Food Safety Modernization Act, source contamination issues under the FDA groundwater rule, emerging contaminants such as per- and polyfluoroalkyl substances (PFAS), and nutrition labeling. Of particular interest in 2019 was research on the application of ozone as a disinfectant in bottled water processes and impacts of the new research on current FDA regulations. In 2020, much focus will be placed on PFAS, both at the state and national levels. IBWA is working to develop and enact national uniformity for regulation of PFAS compounds through working with FDA to propose a bottled water rule for PFAS that would pre-empt state rules.