

Mexico Supermarket Introduces Degradable bags

By Stephen Downer | PLASTICS NEWS CORRESPONDENT

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MEXICO CITY (Feb. 18, 2:30 p.m. ET) -- Mexico's second largest supermarket chain claims it is the country's first mass retailer to replace plastic shopping bags with biodegradable polyethylene ones at all its stores.

Organización Soriana SAB de CV, a public company headquartered in Monterrey, introduced the T-shirt bags to its 464 stores in January and February.

The move preempts the imminent introduction of new federal and state laws prohibiting the use of non-biodegradable plastic bags in Mexico.

Proposed legislation that would ban them has been under consideration by lawmakers for several months and the plastics industry community expects it to become law soon.

However, Rodrigo Benet Córdoba, Soriana's investment relations manager, said the company has been planning its change for several years.

"We searched for state-of-the-art technology and found a company in Canada that supplies an additive that we add to the plastic to make it biodegradable," he said. "We are the first Mexican retailer to do this in Mexico."

According to Benet, Environmental Technologies Inc. of Vancouver, British Columbia, provides its additives to Mexican company Grupo Funsam SA de CV, which makes the bags for Soriana. Benet said Soriana will require 65 million bags per month and 700 million per year.

Funsam was founded in 2001 and employs 160 at its plant in Lerma, near Mexico City.

According to Sumaya Benitez Olmos, an industrial engineer and Funsam's quality control manager, Funsam produces 960 million bags per year out of high and low density PE. The company plans to boost capacity to 1.3 billion bags per year.

The company has six bag-making machines, purchased from Lemo Maschinenbau GmbH of Mondorf, Germany, and six extruders, from Gloucester Engineering Co. Inc., of Gloucester, Mass.

Funsam also has provided Mexico's largest supermarket chain, Wal-Mart Stores Inc., with plastic bags for use in the United States, but not biodegradable bags, Benitez said.

In a statement to shareholders, Soriana, which was founded in 1968 and employs 83,000, said the new bag will disintegrate within two years in the presence of microorganisms, oxygen, dampness and soil.