Sustainable toys: Walking an authentic path

An e-guide for toy manufacturers and retailers

UL Solutions

Safety. Science. Transformation.™

Overview

New consumers expect sustainable toys

Today, consumers expect more from their purchases. They increasingly seek out more sustainable products, and this applies to the toys they buy as well. Whether they want to set a good example for their children or they want to do their part to protect the planet, more consumers are moving sustainability to the top of their decision-making list.

Specifically, consumers are paying more attention to toys that:

- Do not pose a health risk to those who make or use them
- Do not release carbon or other greenhouse gases during the manufacturing process
- Do not pollute the environment at any stage of their life cycle
- Are made from renewable, natural materials
- Are made in a socially conscious manner
- Are manufactured with water or other natural resource consumption in mind
- Do not cause a waste problem at the end of their useful life[1]

Sustainability plans are now an integral part of global business strategy. Toy manufacturers and manufacturers in every other sector are looking to implement innovative sustainable approaches to respond to the increasing demand for socially and environmentally sustainable products.

The toy industry is moving in a sustainable direction. Today, more toy producers use recycled or bio-based plastics. They reduce material use in either the product or its packaging and design toys to be more easily recycled at the end of their usable life. This movement is well-timed, as there is now an unprecedented sense of urgency across industries to address the climate and pollution crises. Moreover, incorporating sustainability demonstrates your principles to customers — especially to those who share similar environmental concerns. It can also help drive revenue growth, cost reduction and risk mitigation.

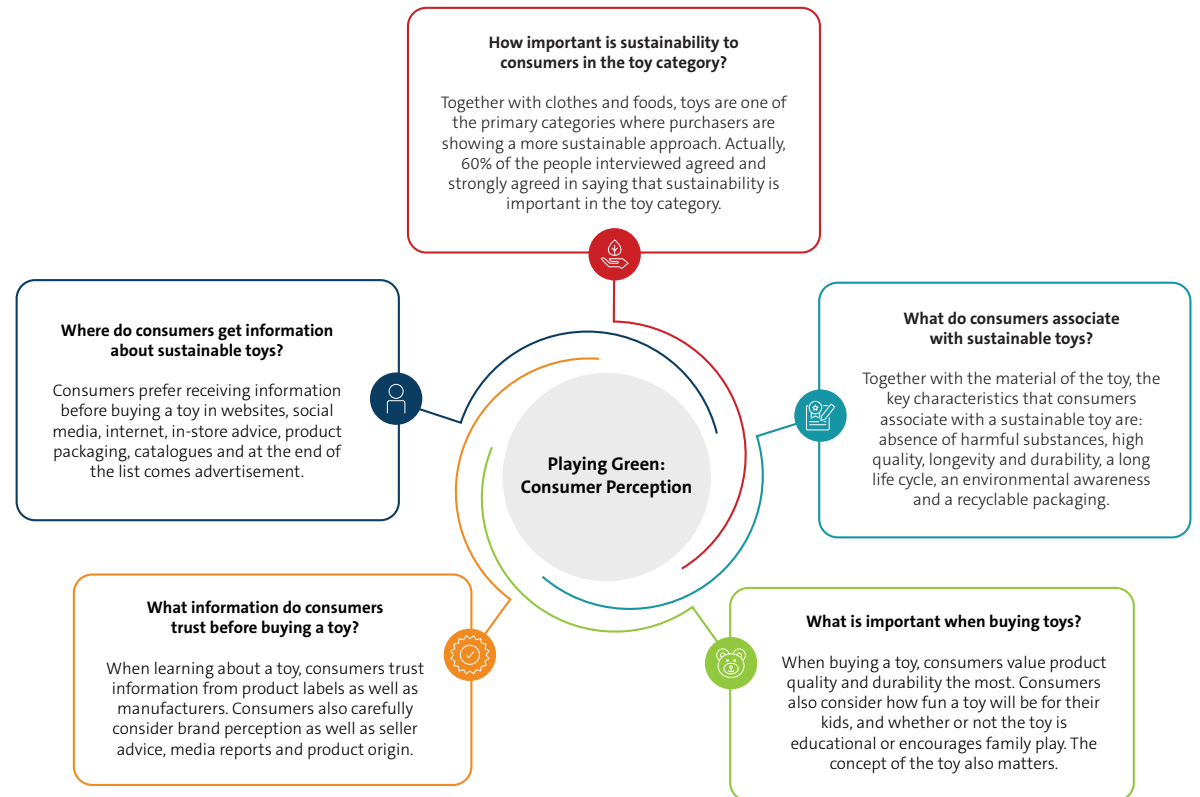[1]https://ethical.net/creative/inspiration/sustainable-kids-toys/

How sustainable is the toy industry today?

Toys are often made of plastic and designed to be short-lived. They also generate significant packaging waste, including wraps, plastic bags and ties that are discarded before the toy is used. Other barriers that could hinder sustainability include production materials, distances between the production and end users, consumption patterns and the articles' end-of-life paths.

Although applying sustainability to the toy industry can be a challenge, there are promising signs of progress, as many companies are choosing a more sustainable path by introducing:

- Environmentally preferable materials in products
- More sustainable packaging and reduced packaging overall
- Broader sustainability initiatives, such as carbon management and waste reduction in the production process

How important is sustainability to consumers in the toy category?

Together with clothes and foods, toys are one of the primary categories where purchasers are showing a more sustainable approach. Actually, 60% of the people interviewed agreed and strongly agreed in saying that sustainability is important in the toy category.

Where do consumers get information about sustainable toys?

Consumers prefer receiving information before buying a toy in websites, social media, internet, in-store advice, product packaging, catalogues and at the end of the list comes advertisement.

What do consumers associate with sustainable toys?

Together with the material of the toy, the key characteristics that consumers associate with a sustainable toy are: absence of harmful substances, high quality, longevity and durability, a long life cycle, an environmental awareness and a recyclable packaging.

Playing Green: Consumer Perception

What information do consumers trust before buying a toy?

When learning about a toy, consumers trust information from product labels as well as manufacturers. Consumers also carefully consider brand perception as well as seller advice, media reports and product origin.

What is important when buying toys?

When buying a toy, consumers value product quality and durability the most. Consumers also consider how fun a toy will be for their kids, and whether or not the toy is educational or encourages family play. The concept of the toy also matters.

Source: https://www.spielwarenmesse.de/en/special/highlights/toys-go-green

Material selection challenges

Material selection has become one of the main areas in which toy manufacturers put more of their time and resources. But it is worth noting that some material selection decisions may raise risks. For example, mechanical recycling — the cleaning, chopping and selling of plastic typically collected in curbside recycling programs — reduces the physical-mechanical strength of the resulting recycled plastic over multiple recycling cycles.

In addition, recycled content generated this way can affect a toy's chemical safety, as the plastic content may accumulate harmful chemicals from the discarded source material, including from products not subject to the same regulatory requirements as toys. That is why toy manufacturers using recycled materials must understand the provenance of their materials, as well as their suppliers' handling practices.

They must verify that the products — raw materials included — comply with the applicable toy standards before launching them on the market. Toy companies must focus on these challenges early in the product life cycle, understand the best practices for addressing them and implement solutions.

Suppliers who choose a more sustainable approach can rely on specific attributes of their materials, packaging and operations by sourcing from vendors who have achieved recognized third-party validation of their claims and provide affirmation of the properties of the sourced material. This, in turn, enables manufacturers and brand owners to communicate their sustainability efforts to investors and final consumers with confidence.

"Parents are making more environmentally mindful purchases, and they want to instill eco-friendly practices in their children beginning at a very young age," said Adrienne Appell, senior vice president of marketing communications at The Toy Association. "Toys with real and substantiated environmental benefits are buzzing right now, but it's a trend that will only continue to grow as today's kids get older and begin making their own purchasing decisions."

Transparency is key to sustainability

Transparency requires that companies share insight into what their products contain, how they are made and what impact products may have on the planet and its inhabitants. Greenwashing — making sustainability claims that are dubious at best by conveying a false impression or providing misleading information about how a company's products are more environmentally sound — warrants scrutiny. Regulatory and quasi-regulatory bodies around the world are taking notice and action on what may be considered unfair or deceptive advertising and have provided guidance to help companies avoid negative actions. These bodies include:

- Advertising Standards Authority of the U.K. (ASA)
- Competition Bureau of Canada (CBC)
- U.S. Food and Drug Administration (FDA)
- U.S. Federal Trade Commission (FTC)
- National Advertising Division of the Council for Better Business Bureaus (NAD)
- National Advertising Review Board (NARB)

For example, the FTC offers "Guides for the Use of Environmental Marketing Claims," the so-called "Green Guides." These guides define key terms:

- **Substantiation** – Marketers must be able to substantiate claims under a reasonable basis[2] test.
- **Qualification and disclosure** – Marketers must qualify claims where the claimed environmental attribute relates only to a portion of the product, e.g., packaging, if the claim would otherwise directly or by implication overstate the attribute or benefit.
- **Display of qualifying language** – Any qualification should be clear to prevent consumer deception, and marketers should avoid implications of significant environmental benefits if the benefits are negligible.
- **Comparative statements** – Where marketing materials make explicit or implicit comparisons between the environmental attributes of various products, the materials should be clear to help avoid consumer deception.[3]

National authorities are signaling a renewed focus on greenwashing after the release of websites in 2020 that focused on greenwashing and found evidence of it.[4] For example, the U.K.'s Competition and Markets Authority (CMA) updated its guidance[5], as did the ASA. The FTC is updating its green guides, likely to publish in 2023 at the earliest.

[2]https://www.ecfr.gov/current/title-16/chapter-I/subchapter-B/part-260/section-260.2

[3]https://www.ftc.gov/sites/default/files/documents/federal_register_notices/guides-use-environmental-marketing-claims-green-guides/greenguidesfrn.pdf

[4]https://ec.europa.eu/commission/presscorner/detail/en/ip_21_269

[5]https://www.natlawreview.com/article/uk-regulator-ramps-action-against-greenwashing

Transitioning to a circular economy

Leading businesses, including those in the toy industry, are transitioning to a circular economy. The key enablers of the shift to circularity are availability of information, tools to support the transition and collaboration across value chains. A good example of an available tool to support the transition towards a circular economy is the European Circular Economy Stakeholder Platform — a European instrument where stakeholders can meet and exchange information and tactics across countries and sectors. It allows an exchange of expertise and good practices on the circular economy. It also contributes to identifying the barriers and policy enablers to the transition intended for policymakers at all levels of governance.

A circular economy is founded on three principles, driven by design:

1. Design-out waste and pollution
2. Keep products and materials in use
3. Regenerate natural systems[6]

Circular economic models bend the traditional economy's linear take-make-waste model — a linear economy model based on the collection of raw materials and their transformation into products that are used until they are finally discarded as waste. In this economic system, value is created by producing and selling as many products as possible. A circular economy, instead, closes the cycles of all the raw materials, diverting materials from landfills, recycling, repurposing or turning them into feedstocks for other processes. It follows the 3R approach: reduce, reuse and recycle. Resource use is minimized (reduce). Reuse of products and parts is maximized (reuse). And last but not least, raw materials are reused (recycled) to a high standard.

[6]https://ellenmacarthurfoundation.org/topics/circular-economy-introduction/overview

In this system, value is created by focusing on value preservation. The sheer scope of circularity allows reaching beyond simple product attributes into the business, manufacturing process and supply chain.

The circular economy is an integral part of the sustainability agenda and can contribute to several different United Nations Sustainable Development Goals (SDGs). By addressing root causes, a circular economy (an economy in which waste and pollution do not exist by design) keeps products and materials in use, and regenerates natural systems, providing hope that implementation of the 2030 Agenda will be accelerated.

The 2030 Agenda for Sustainable Development was launched by a UN Summit in New York in September of 2015 and is aimed at ending poverty in all its forms. The UN 2030 Agenda envisages "a world of universal respect for human rights and human dignity, the rule of law, justice, equality and non-discrimination."[7] For example, SDG 12, Responsible Consumption and Production, is at the heart of the circular economy's Principle 1 and is especially important in this decade of action, as 2030 is the deadline for many SDGs.

Leading toymakers are exploring many options for using more sustainable materials, including:

- Bio-based plastics like polylactic acids (PLA), polyhydroxyalkanoates (PHA) and starch polymers made with renewable feedstocks that replace virgin raw material sources.
- Bio-composite plastics that combine natural fibers or wood flour with recycled, biodegradable or bio-based plastics to create durable, weather-resistant toys.[8]

[7] https://sdgs.un.org/2030agenda

[8] https://thesolutionsjournal.com/2016/11/04/toymakers-take-lead-sustainable-plastics/

What can toy manufacturers do?

To demonstrate their commitment to sustainable and responsible practices, toy manufacturers can partner with a trusted third party that offers testing, inspection, responsible sourcing solutions, certification, data insights and software solutions.

UL Solutions offers these and other services to help toy manufacturers, suppliers and retailers delight children with safer and more sustainable quality toys.

Our offerings provide clarity regarding the complex processes of creating, producing and distributing toys for a global market. Our knowledge, worldwide network of accredited laboratories, and dedicated team provide the support and expertise necessary to successfully meet regulatory demands and protect brand reputation.

The comprehensive range of services offered by UL Solutions includes safety testing and certification to global standards, quality assurance inspections and sustainability strategies, including responsible sourcing services to identify risks within your supply chain.

How UL Solutions can help

Our Environmental Claim Validation (ECV) helps manufacturers communicate their products' environmentally preferable attributes clearly and credibly, equipping them with a powerful tool for differentiation in a cluttered marketplace. ECV provide independent verification that products or their packaging live up to their sustainability attribute claims and help manufacturers avoid greenwashing.

If you want to be transparent about your toys materials, our ECV program can help you provide reassurance around bio-based content, recycled content and recyclability rate.

This validation helps brands, retailers, manufacturers and their customers enjoy credibility and support toward reaching circularity and environmental, social and governance (ESG) goals.

UL Solutions helps our customers mitigate the risks associated with global sourcing to protect their brand reputation and build consumer loyalty.

Don't just say your toys are green. Prove it.

To learn more visit **UL.com/sustainable-toys**
or contact **toys@ul.com**

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