



Throwing Away Food and Money

How Feeding the Connecticut Community Feeds Your Bottom Line

In **2019** U.S. businesses generated approximately **50** million tons of surplus food – the equivalent to **80** billion meals, representing a **\$244** billion loss across the foodservice, retail, manufacturing and farm sectors (ReFED). Food makes up over **20%** of all waste disposed in Connecticut and represents the single biggest opportunity to divert waste from disposal. Every day, businesses throw away thousands of pounds of food - and thousands of dollars - unnecessarily. Reducing wasted food can result in both avoided purchasing and disposal costs. Donating surplus food feeds the food insecure while providing tax benefits. Both strategies can also benefit the environment.

Not only can reducing the amount of food waste cut costs and benefit the environment, but it can also act as an excellent marketing opportunity for your organization. Green expectations are ever increasing. Advertising the actions you are taking to reduce your carbon footprint can add significant value to your brand. In the past five years, **85% of people across the world have indicated that they shifted purchasing behavior towards more sustainable operations.**¹

A grocery store with a weekly compactor pick-up could save over \$4,900 in disposal costs, donate over 81,000 meals, and realize a tax deduction of over \$325,000.*

Here's how:

Disposal Cost Avoidance

7.5 tons of mixed waste in an average compactor load =
15,000 lbs

Typically **63%** is food waste² = **9,450** lbs

Of that, CET's experience finds that **20%** could be donated =
1,890 lbs

At **\$100/ton** disposal fee, **1,890** lbs = **\$95/pick-up**

At 52 pick-ups/year, a business could save \$4,914 annually

Tax Incentive for Donation

1,890 lbs/week x **52** weeks = **98,280** lbs/year

1.2 lbs/meal = **81,900** meals donated

At a \$4 basis value per meal, this is \$327,600 in a general, non-enhanced tax deduction³

* This example has been prepared for informational purposes only. Please consult your own tax, legal and accounting advisors for your individual situation.



Prevention:

There are a variety of strategies to prevent food waste, no matter the scale of your business. Prevention tactics include focusing on ordering practices, incorporating surplus ingredients into new menu items, adjusting portion sizes, and more. All of which can lead to significant cost-savings.

Understanding where your waste is coming from can help your business identify ways to focus on ordering practices and cut back on costs. Food waste tracking software like [Leanpath](#), [Phood](#), and [Winnow](#), can help your business collect data on wasted food and better identify areas for cost savings. The EPA also has a printable [Waste Logbook](#) that includes food type, loss reason, and other information that can be used to identify trends and take corrective action. **Leanpath estimates that food service operations waste 4-10% of purchases. Therefore, restaurants or food permitted businesses that spend \$500,000 a year on food purchasing could save around \$20,000 annually with a focus on shifting purchasing practices.** In a case study highlighting the partnership between Leanpath and the Ritz-Carlton in Arlington, Virginia, the hotel was able to prevent **61,000 lbs of food waste**. These findings not only led to cost savings but to the purchase and development of new menu items.⁴

Preventing, donating, and diverting wasted food can result in a disposal cost avoidance. Food service businesses with a compactor often benefit by shifting to on-call service, which enables a business to only pay collection fees for a full compactor. At an estimated \$120 per pick-up plus approximately \$100 per ton in disposal, an average full compactor may cost \$860 per pick-up. And this cost can add up.

Using this rate of \$860 per pick-up, if a food business that generates 2 tons of food waste per week, or 104 tons per year, reduces, donates, and diverts wasted food elsewhere, this could represent over \$11,000 in avoided trash disposal fees. If 10% of this material were prevented and donated, this equates to over \$1,000 in avoided disposal fees from these practices alone.

In the above example, it is important to note that a business will likely incur additional costs for diverting food scraps for animal feed, anaerobic digestion, or composting. **Food scrap collection costs vary by location, hauler, end site, quantity and quality.** Knowing the avoided disposal costs can help with evaluation for overall waste savings or neutrality.

There are a handful of other factors that can result in cost savings. By identifying waste at the source, you can optimize your operation and reduce the amount of storage space necessary. If your business has historically overproduced meals, understanding your waste can shift staff behavior to make fewer meals and only what is needed. This shift in staff behavior can also cut back on staff time spent on ordering, handling, cooking, and processing food. Producing fewer meals can lead to less wear and tear on equipment and help to reduce maintenance costs. Additionally, if you have coolers that are maintaining temperature or ovens running in your kitchen, honing in on the amount of food produced can result in utility cost savings for electricity and water.

Repurposing surplus edible food can extend your investments in purchasing and engage kitchen staff to get creative. This can be as simple as using leftover fruits in smoothies, vegetable and bone scraps for broths, or making croutons out of stale bread and more. Extending the shelf-life of your investments can go a long way.



Donation:

Food donation is another way to cut back on food waste that will reduce disposal costs and offer potential tax benefits for donors. Food donation, which provides meals to those in need, is an excellent opportunity to support your local community and reduce levels of food insecurity while potentially saving money on tipping fees. Donation can be simple after identifying food rescue organizations in your area. There are also apps like [Too Good to Go](#) and [Flashfood](#) that work to connect businesses to customers to sell food items that may otherwise go to waste at discounted rates.

On average, the state of Connecticut's tip fees ranges from \$93 - \$107 per ton.⁵ Food waste takes up most of the weight in dumpsters at many food businesses. For comparison, mixed food waste on average weighs 1,000 pounds/cubic yard, and commercial/industrial waste on average weighs 250-300 pounds/cubic yard.⁶ This represents a significant cost impact. **Further, with nearly 40% of the nation's food going to waste per year, donating edible surplus represents a cost saving opportunity that can benefit not only local businesses but also the entire community.**

For more information on tax incentives, see the Harvard Food Law and Policy Clinic's [Legal Fact Sheet, Connecticut Food Donation: Tax Incentives for Businesses](#). For a more outlined resource on steps for action, The Center for EcoTechnology (CET) has created a [Food Donation Made Easy guidance document](#).



SPOTLIGHT

Success Stories

Big Y World Class Markets

Big Y donated more than 3,100 tons of food in 2020 across their 80 locations, providing more than 5,000,000 meals to those in need. A portion of this food is protein which is badly needed by the food banks to provide for those who are food insecure. Additionally, Big Y saved more than \$390,000 from avoided hauling and decreased disposal costs when compared to the alternative of disposing of this surplus food.



Village Market Wilton, Connecticut

Village Market in Wilton, Connecticut has an extensive program to prevent and reduce wasted food. The grocery store sets strong goals to reduce waste and spoilage, provide their customers with the freshest products possible, and contribute to those in need in the community. To extend the life of products while meeting these goals, the business utilizes a handful of strategies, such as: incorporating surplus veggies in stocks and soups, turning stale bread into croutons, and using overripened bananas to make banana breads. All of these efforts help Village Market maintain their expected profit margin and cut back on ordering costs.

With the prevention and donation programs Village Market is currently operating, it is estimated that the business is preventing 26 tons per year of waste, which represents approximately **\$2,500 per year in avoided disposal costs**. The team at Village Market is motivated by moral and environmental factors to expand their programs that reduce their footprint and open opportunities to avoid costs. Looking to further divert food waste, CET is working with Village Market to explore options for separating food scraps for composting.



University of New Haven

New Haven, Connecticut

The [University of New Haven](#) has a robust set of programs in place to reduce their amount of wasted food. The University currently donates surplus edible food, composts, and engages students and staff in the process by providing hands-on education and coordinating interactive events.

The University hosts periodic "Weigh Your Waste" events which serve as an opportunity to educate the student body and lay the groundwork for reducing waste at the University. This event acts as a factual and fun way to enlighten students on what they as consumers are wasting. Within their cafeteria, an educational station is set up where students can choose to weigh and compost their food scraps. This helps raise awareness around wasted food as students can see what and how much waste is created on their own plate. The University aims to "focus on education not shame" and foster an environment where students can reflect and learn through this initiative.

The University also works with [Haven's Harvest](#) for their food donation efforts. Through this partnership, the University has helped support the local community and redirect surplus edible food. In addition to strengthening community ties, donating food has also provided financial benefits as the University has reduced the weight in their dumpsters and ultimately reduced the costs for disposal. Per semester, the University donates roughly **825 pounds of food** through these efforts. Paired with the institution's composting efforts, this equates to an estimated disposal cost avoidance of **\$10,000 each year**. Food is heavy, and in a cafeteria wasted food is a significant portion of the contents of a dumpster. Being able to divert organic material (which includes paper products in addition to wasted food) not only has a positive impact on businesses like the University, but can be a financial win, too. While some surplus is still inevitable, the University has identified opportunities to cut back where necessary and to continue to reduce the amount of wasted food even more.



Images from composting education campaign



AT CET, we believe that each of us has the power to make a difference. The need to tackle climate change and build a just and equitable transition to the low-carbon economy is more urgent than ever. We work with partners throughout the country to transform the way we live and work – for a better community, economy, and environment.

For more than 45 years, our innovative non-profit organization has offered practical solutions to save money, increase the health and comfort of our homes, and help businesses perform better.

We make green make sense.

If you have any questions or feedback, please contact CET:
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Although the information in this document has been funded wholly or in part by the Environmental Protection Agency under assistance agreement HC00A00779 to the Center for EcoTechnology, it has not been subjected to the Agency's publications review process and therefore, may not reflect the views of the Agency and no official endorsement should be inferred.



[1] Pope, R. (2021, October 14). Recent study reveals more than a third of global consumers are willing to pay more for sustainability as demand grows for environmentally-friendly alternatives. Business Wire. Retrieved from <https://www.businesswire.com/news/home/20211014005090/en/Recent-Study-Reveals-More-Than-a-Third-of-Global-Consumers-Are-Willing-to-Pay-More-for-Sustainability-as-Demand-Grows-for-Environmentally-Friendly-Alternatives>

[2] Food Waste Estimation Guide, RecyclingWorks Mass., <https://recyclingworksma.com/food-waste-estimation-guide/>

[3] Harvard Food Law and Policy Clinic, Legal Fact Sheet – Connecticut Food Donation: Tax Incentives for Businesses, https://portal.ct.gov/-/media/DEEP/waste_management_and_disposal/Solid_Waste_Management_Plan/Final_Harvard_Food_Fact_Sheets/FINALTaxIncentivesFactSheetforConnecticutFoodDonationpdf.pdf?la=en

[4] Leanpath. (n.d.). See how the Ritz-Carlton, Pentagon City reduced food waste by 54% with Leanpath. Retrieved June 6, 2019, from <https://blog.leanpath.com/ritz-carlton-pentagon-city-reduced-food-waste-54-percent>

[5] MRR. (2022). Alternate resolution B MRR transfer ... - ctmira.org. ALTERNATE RESOLUTION B – MRR Transfer Conversion. Retrieved from https://www.ctmira.org/wp-content/uploads/2021/03/FY2022_Adopted-CSWS-Operating-Budget-3-15-21.pdf

[6] US EPA. Volume-To-Weight Conversion Chart. Retrieved from https://www.epa.gov/sites/default/files/2016-04/documents/volume_to_weight_conversion_factors_memorandum_04192016_508fnl.pdf