**Food Manufacturing Impact Measurement and Reporting**

Client Organization: Albertsons Companies

Main Client Contact

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About Albertsons Companies

Albertsons Companies is the second largest food and drug retailer in the United States, operating more than 2,271 retail stores with 1,726 pharmacies, 401 associated fuel centers, 22 dedicated distribution centers, and 19 manufacturing facilities as of December 2, 2023.  The Company operates stores across 34 states and the District of Columbia with 24 banners including Albertsons, Safeway, Vons, Jewel-Osco, Shaw's, Acme, Tom Thumb, Randalls, United Supermarkets, Pavilions, Star Market, Haggen, Carrs, Kings Food Markets and Balducci's Food Lovers Market. Students can learn more about our company in our latest [fact sheet](https://s29.q4cdn.com/239956855/files/doc_financials/2023/q3/CM_Corp_ACI_InvestorRelations_FactSheet_R2_Q3_2023.pdf) and on our [website](https://www.albertsonscompanies.com/home/default.aspx).

In 2022, Albertsons Companies announced *Recipe for Change*, our Environmental, Social and Governance (ESG) framework focused on using our national presence and resources to drive meaningful, proactive change. With focus areas in Climate Action, Diversity, Equity & Inclusion, Waste Reduction & Circularity, and Community Stewardship, Albertsons Companies has set ambitious goals that lean into the company's strengths and long-term strategies to better the lives of our associates, the communities we serve, and the planet we share. Students can learn more about our Recipe for Change in our [2023 ESG Report](https://s29.q4cdn.com/239956855/files/our_impact/sustainability_doc/albcdacsiv199540_aci_23_esg-report-1-2.pdf).

Project Overview and Context

It is estimated that the global food system accounts for a third of the world’s greenhouse gas emissions. [[1]](#footnote-1) As companies look to reduce their environmental impact, climate and otherwise, supply chain activities have become a focus for sustainability programs. For retailers and Consumer Product Goods (CPG) companies, this involves looking at looking at where impact occurs across the value chain, from agriculture, to food manufacturing, to transportation, and beyond.

Within Albertsons Companies’ manufacturing business, we operate 19 manufacturing plants that produce bread, beverages, ice cream, milk and other grocery items. Through these operations, we create products for our Own Brands as well as for other CPG companies and retailers. As companies make progress on responsible sourcing and supply chain commitments, Albertsons Cos. Sustainability team is looking to expand reporting capabilities.

Objectives, Possible Approach, and Deliverables

Through this project, students will create a strategy and methodology to calculate the environmental impact of products produced in our manufacturing plants (focusing solely on impacts from within our operations, not within the value chain) as well as propose an implementation road map.

* Determine which environmental impact stats are most important to Albertsons Companies’ manufacturing customers for us to calculate and track within our manufacturing plants, such as energy and emissions, water efficiency, and waste on a product and plant basis.
* Identify the data required to calculate environmental impact stats and become familiar with existing data to determine data gaps. Students will make recommendations on how to develop a methodology and document procedures for calculating the recommended impact stats.
* Create a road map for the sustainability team to report on identified manufacturing impacts to commercial customers and expand robustness of reporting over time to achieve the “ideal” methodology and procedure.

To ensure that students are able to ground their recommendations in our business operations, students will utilize their recommended methodology to determine the environmental impact of an Albertsons Companies Own Brands product manufactured in an Albertsons Companies manufacturing plant in California. Through a plant visit and meetings with the sustainability and manufacturing teams, students will gain an understanding of current company operations, reporting, and resources.

Implications

As companies become more thoughtful of supply chain impacts, Albertsons Companies’ sustainability team seeks to enhance reporting capabilities to meet the needs of commercial customers.

Through this project, students will gain exposure to the operations of a Fortune 60 company and insight into manufacturing, supply chain sustainability, and how corporate sustainability initiatives support business strategies and goals.

1. Crippa, M. (2021, March 8). Food systems are responsible for a third of global anthropogenic GHG emissions. Nature news. https://www.nature.com/articles/s43016-021-00225-9 [↑](#footnote-ref-1)