

what is an environmentally sound product could have potential impacts on Alcan's competitiveness and its exports.

Alcan's exports comprise about 85% of their total production capacity. The company's direct competitors are other aluminum companies at home and abroad. However, significant competition comes from substitute products such as steel, plastics, glass and to a lesser extent paper.

Instead of positioning itself directly against its competitors, Alcan prefers to demonstrate the environmental benefits of aluminum. The company uses its expertise to help its customers take advantage of aluminum's unique properties.

For instance, in 1996, Alcan's Product Stewardship focus was mainly on the automotive sector. Alcan's aluminum vehicle technology was selected for General Motors EV1, the first electric passenger vehicle available to consumers and the first North American production vehicle to feature an all-aluminum structure.

The inherent environmental benefits of aluminum will provide opportunities for Alcan on a global scale, not just in North America. For example, Alcan is well positioned over the coming years to assist European automotive companies meet regulations. Within the next 15 years, these companies will need to recycle about 90 to 95% of their vehicle parts. One of aluminum's most advantageous traits is its recyclability; added to this is Alcan's well established recycling network. Both of these factors will provide Alcan a competitive edge in the European market.

Another European stakeholder, the packaging industry, must also meet stringent environmental requirements. Packaging is an important issue in Europe, where companies must meet quotas for recycling. Their purchasing decisions will be partly influenced by the need to meet their targets. Alcan's ability to communicate the environmental benefits of aluminum to these and other stakeholders could contribute to their bottom line.

Conclusions

Alcan's environmental programs and policies are an integral part of its business. The company considers these environmental initiatives as its license to operate. "Unless we manage the resources we are using prudently, and in a way that is acceptable to the communities in which we operate, we won't be operating for very long." (H. Porteous, Alcan)

It is the commitment to the environment and the relationships with communities in which they operate that are the driving forces for Alcan's policies. These initiatives were undertaken with the intent of becoming a leader in sustainable development.

Alcan's challenges for the years ahead are to preserve and build upon the successes of the past through a consistently applied EMS and to capitalize on the environmental strengths of aluminum through the practice and promotion of product stewardship. This may present opportunities to gain market share in a competitive market.

References

Hugh Porteous, Alcan Aluminum Ltd.

Alcan Aluminium Limited, A Commitment to Continual Environmental Improvement, 1996.