



## The Responsible Distribution Process<sup>SM</sup> —A Roadmap to Success



Quality • Responsibility • Stewardship



*“RDP is a wonderful resource for organizing the company’s operational activities and it develops a way of thinking that tracks accountability.”*

Susan T. Nicholls-Billheimer, Senior Vice President, Operations with Ross Organic Specialty Sales, Inc.

## Business Value at Its Best

NACD’s member and Affiliate companies participate in the Responsible Distribution Process<sup>SM</sup> (RDP), an industry-wide product stewardship program focusing on chemical distribution. This program is mandatory for all NACD companies and several of NACD’s Affiliate categories as well. It is regarded as a “gold standard” for its quality, integrity, and leadership in the product stewardship arena. RDP provides a guideline for companies to protect the environment, promote health and safety of employees and community members, enhance product stewardship, and ensure the security of its facilities and products.

Every three years, NACD members are verified by qualified third-party verification companies. These verifications play an important role in the program by demonstrating NACD’s members’ commitment to the processes and ethic of the program. The Responsible Distribution Process<sup>SM</sup> delivers additional value to NACD members and Affiliates through recognition by suppliers and customers, government agencies, insurance providers, and communities for providing good business and management practices, as well as leadership in environment, health, safety, and security.

## Performance under Guiding Principles and Code of Management Practice

In December of 1991, NACD member companies undertook the most important mission in the Association’s history and approved the Responsible Distribution Process<sup>SM</sup> as a membership requirement. Under RDP, every NACD member’s senior management pledges to conduct its business according to a set of guiding principles. To help guide member companies’ action in all aspects of responsible chemical distribution and handling, the RDP Code of Management Practice was created and is regularly reviewed and updated as appropriate through the RDP Committee and

NACD’s Board of Directors. Under each Code, member companies have an active program designed to continuously improve safety and reduce incidents. These programs cover the following areas: Risk Management; Compliance Review & Training; Carrier Selection; Handling & Storage; Job Procedures & Training; Waste Management & Resource Conservation; Emergency Response & Public Preparedness; Community Outreach; Product Stewardship; Internal RDP Audits; RDP Corrective & Preventive Action; and RDP Document & Records Control.

## Protection by Securing Chemical Distribution

NACD’s members have always focused on the safety and security of its workplaces and products. In response to the terrorist attacks on the United States on 9-11-2001, NACD became the first chemical trade association to mandate specific security measures for its members and continues to assess RDP’s security measures against current threats. Specific measures addressing security include:

- ▶ Developing programs that address security of a member’s facility and the transportation of chemicals, including conducting a security vulnerability assessment

- ▶ Scrutinizing for-hire motor carriers for security of chemicals in transportation
- ▶ Qualifying customers purchasing chemicals as prescribed by government regulations
- ▶ Verifying implementation of security measures by an independent third-party verification firm

## Valuable RDP Implementation Resources

- RDP Code Coordinator Manual
  - Examples of various Policies & Procedures
  - Code Coordinator Workshops – 2 per year
  - Webinars on Specific Topics – 4 per year
  - Chemical Educational Foundation
  - NACD Web Site, [www.nacd.com](http://www.nacd.com)
  - NACD Staff
- Networking to Learn from Peers
    - NACD Member Code Coordinators
    - NACD Affiliates
    - RDP Committee
    - Regional Presidents
    - NACD Board of Directors



## Credibility and Accountability with Third Party Verification

The Responsible Distribution Process<sup>SM</sup>'s most unique and perhaps most credible requirement is independent third-party verification. NACD members go through a process to verify their written management practices (mandatory since 1995) and are subject to on-site verifications of the implementation of their management practices every three years (mandatory since 1998).

Unlike any other sector of the chemical industry, NACD's members must have their written plans verified by an independent, third-party firm prior to being admitted as a Regular member. Adherence to the verifications and successful completion are mandatory for continued participation at the Association. NACD and its members are proud of their efforts under RDP and the integrity and credibility of its independent, third-party verification requirements.

### ► RDP Document Verification

When a distributor company joins NACD, it becomes a Candidate member and must begin compliance with RDP. Within the first 12-24 months (the schedule depends on the date the prospective application is accepted by NACD), an independent, third-party review is conducted of the company's documentation of procedures and management practices relative to RDP. Once a Candidate member's documents have been approved, it becomes a Regular member and moves to the on-site RDP verification process.

### ► On-site RDP Verification

On-site verification of a member's RDP program, allows members to demonstrate to themselves and their customers and suppliers, as well as the broader public, that they mean what they say. Once every three years, each member is scheduled to undergo an on-site third-party verification. During this one-two day process, the implementation of RDP policies and procedures are verified.

If no deficiencies are found, then the member passes its verification and can continue as a member in good standing and can continue to use the RDP logo. If deficiencies are found, then the member must perform corrective action(s) within a limited time period and have them approved by the verification company. Membership is contingent on correcting and passing this verification.

*"RDP helps a given company look at its operating philosophies and procedures and find better ways to implement them. Ultimately, RDP can be the framework to better understand the key core skills of your business. That may translate into cost-efficiency, which now, more than ever, is critical in today's economic climate."*

Doug Brown, President, Brown Chemical Co., Inc.

## Transparency through Measuring & Reporting Performance

NACD requires each member to annually report accident and injury data as well as other demographic information via the RDP Membership & Performance Data Report. Since 2001, members have publicly reported performance within measurable areas of health and safety. In 2005, this reporting became mandatory and 100% of the membership has submitted information since then.

In addition to publicly reporting these results each year, NACD also publishes a separate performance report that focuses on members' environmental progress using data compiled by the U.S. Environmental Protection Agency (EPA). Both of these efforts help quantify the positive impact of the Responsible Distribution Process<sup>SM</sup>

(RDP) and demonstrate the strong environmental, health, safety, and security commitment made by NACD members through RDP.

Data show that the Responsible Distribution Process<sup>SM</sup> is having a positive impact. In 2006 (the latest year data is available), the average release of toxic emissions per member facility was the lowest in its reporting history at 2,650 pounds. In addition, the chemical distribution industry reported the lowest total releases in its nine-year reporting history at just over 1.3 million pounds, according to the EPA 2006 Toxics Release Inventory (TRI) Public Data Release Report.

To view data collected by NACD, visit [www.nacd.com](http://www.nacd.com).

## Expanding RDP in the Chemical Supply Chain

Chemical handlers, such as public warehouses, terminals, and transportation companies, as well as chemical suppliers, are eligible to commit to the Responsible Distribution Process<sup>SM</sup> through an application to become a Chemical Handler Affiliate or a Chemical Supplier Affiliate. NACD has mandated that all Chemical Handler Affiliates and Chemical Supplier Affiliates have an active risk management program. Participation in RDP is required, although other programs may be recognized (for more information, please contact NACD at 703/527-6223).

Implementation of a risk management program is essential to the safe and secure management of chemicals throughout the chemical supply chain.

NACD members have a solid track record with RDP in ensuring safety in the handling, transport, and use of chemicals from producer through distributor to the customer. NACD Affiliates gain additional benefits in RDP by interacting with NACD distributor members at meetings and conferences and RDP specific programs. Perhaps, most importantly, NACD members are eager to seek business relationships with those organizations that are familiar with and practice the Responsible Distribution Process<sup>SM</sup>.

*“RDP has been an invaluable benefit to our company. It helped us to focus on writing down what we do and do what we write down. It’s been a real learning experience.”*

Donna Boldt, President, Deeks & Company, Inc.

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- For more information call 703/527-6223