

5 Mistakes Brands Make with Cosmetics Returns



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Do you know the details of what happens to your expired, damaged or otherwise unsaleable cosmetics? Are you certain they're being handled and disposed of in a safe manner? Do all of your employees understand how to dispose of products compliantly?

If you're not sure of the answers to these questions, you could be placing your employees, your profits and your brand at risk.

The risks of a faulty cosmetics returns process

Not having a solid process in place for returning cosmetics can have serious consequences:

- Expired, damaged or otherwise unsaleable cosmetics can be introduced into the “grey market” by staff, waste handlers or anyone who comes into contact with the products. The result is lost sales for you—and brand damage from having substandard products in the marketplace.
- Most people don't associate cosmetics with hazardous waste, but many types of fragrance, nail polish, shampoo, hairspray, deodorant and lip liner fall under this category, and the penalties for improper disposal can be severe. In 2014, a large retail chain in the U.S. paid a \$2.7 million settlement to a California community for illegally disposing of hazardous waste—including cosmetics, personal care products and aerosol cans—from its stores.
- Lastly, if your business is involved in a high-profile fine or, worse, an incident involving harm to a person or the environment, news outlets will be quick to pick up on the story, with social media further amplifying any damaging news.

Common mistakes

Based on our experience with reverse logistics, we've found that businesses commonly miss the mark in five key areas:

1. Not properly tracking cosmetics returns

All returns need to be accurately documented, down to the lowest unit of measure. This is especially true for items that are considered hazardous waste: companies have been fined for non-compliant reporting even if they haven't incorrectly disposed of anything. Automating your documenting and reporting practices will help ensure compliance and reduce human error.

2. Not training employees to handle cosmetics returns properly

It's critical that your employees understand their roles and responsibilities in handling cosmetics returns and hazardous waste compliantly. You can prepare your employees by incorporating these best practices:

- Create a training matrix outlining who should be trained for what and when.
- Provide easy-to-read literature to ensure all regulations and policies are met.
- Train seasonal staff, such as summer students and holiday staff, extra carefully.

3. Not ensuring that cosmetics waste is transported safely and securely

Safely transporting and securely destroying your cosmetics waste not only ensures it stays out of the grey market, but also protects the health of your customers, your brand and your bottom line. For hazardous waste, you also have to retain thorough waste-transport records, such as manifests (which must be kept for three years), waste profiles, safety data sheets, employee training records, storage area inspection forms and more.

4. Not leveraging sustainable cosmetics disposal practices

In addition to meeting compliance standards, having a robust process in place for cosmetic returns is also an opportunity to advance your sustainability goals. Many innovative reuse, recycling and alternative-use solutions are available, from repurposing waste for use in other industries to generating clean energy via "waste to energy" incineration.

5. Not preparing for a cosmetics recall

Product recalls have more than doubled over the last decade. When a faulty product has to be pulled from the market, it demands more than your usual returns process; depending on the severity of the problem, recalls can lead to crippling liabilities for both manufacturers and distributors, and damage to a company's brand. You can, however, prepare for and mitigate the effects of a recall by creating a recall readiness team and developing a comprehensive recall plan (more on preparing for a recall event [here](#)).

Building a partnership for success

Implementing a cosmetics returns process isn't easy, but you don't have to go it alone. Many organizations have found that working with an external partner can:

- lower your risk of non-compliance;
- ease your workload;
- help achieve your sustainability goals; and
- save you money.

As a leader in returns, recalls, reclamation, and all aspects of complex waste compliance and disposal, Stericycle serves as a trusted partner to some of the world's leading brands and businesses of every size. To learn more about how we can help you, visit stericycle.ca, contact us at 1.877.474.3778 or email us at rmscanada@stericycle.com.