



BottleDrop[®]
Oregon Redemption Center

DRS and Reusable Bottles in Oregon, USA

Oregon's pioneering and privately-run DRS system



Jules Bailey
Chief Stewardship Director
Oregon Beverage Recycling Cooperative





Brief History of the DRS/Bottle Bill: Private system run by distributors



- 1971 – DRS signed into law – 5 cents
- 2009 - OBRC created- privately run
- 2011 - BottleDrop Redemption Center introduced
- 2016 – Reusable bottle planning begins
- 2017 - Increase to 10 cent deposit
- 2018 – Expansion, approximately 35% increase in container volume
- 2018 – Reusable program launches

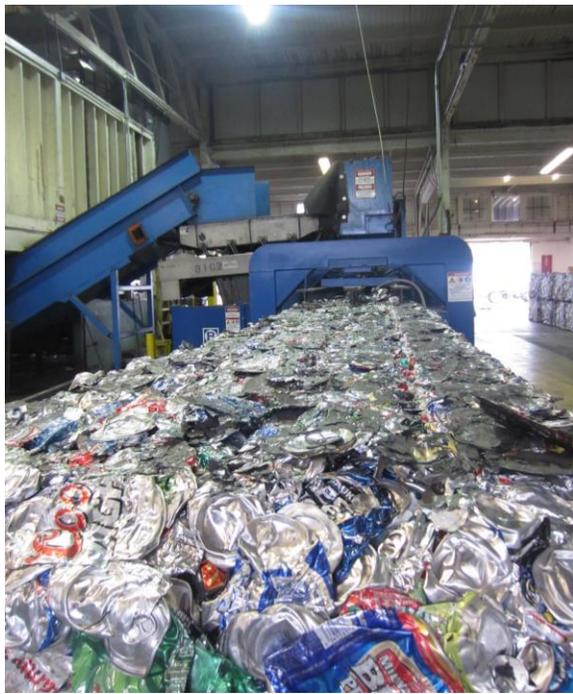




Return to retail is the foundation



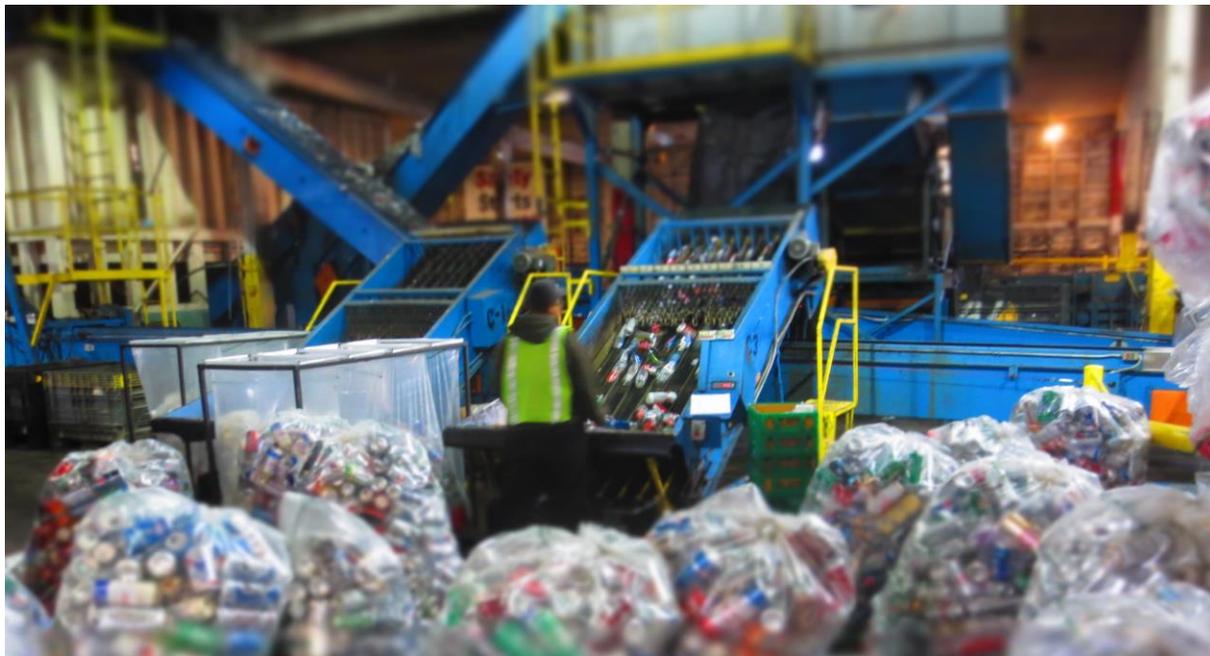
- The original DRS was only return to retail, managed by distributors
- In 2011, redemption centers (BottleDrop) were created to move some high-volume returns out of retailers.
- Retailers pay 50% of the cost of the redemption center
- Redemption centers must be located near retailers and in a convenient area to relieve retailers of their responsibility to accept containers



Oregon Beverage Recycling Cooperative



- Operating budget: \$43 million in 2018
- Process ~ 2 billion containers/year
- 108 Members and Participants (any distributor of beverages)
- Over 500 Oregon Employees
- Tractor-trailers collecting empties from 2,600+/- Oregon grocery/c-store locations
- Five processing plants
- ZERO tax payer dollars





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 **Bottle Drop**





Redemption Centers

- Clean, fast, & easy
- Single-purpose, indoor redemption centers
- 45 Locations
 - 25 full-service redemption centers
 - 1 under development
- Largest center accepts ~100 million containers/year
- ZERO taxpayer dollars





Three ways to redeem: Account



- ✓ **Bag it** – Fill BottleDrop green bags at home
- ✓ **Tag it** – Place BottleDrop tag on bag
- ✓ **Drop it** – Leave bag at any BottleDrop location
- ✓ **Track it** – Check your account balance online or with our mobile app





The fastest, easiest, BottleDrop



- Provide access to BottleDrop in smaller volume markets and urban areas
- Expand access to green bag accounts
- 20 locations operating
- Committed to 80 total





BottleDrop
EXPRESS

BottleDrop
EXPRESS

IF BLUE LIGHT IS ON USE OTHER DOOR

BottleDrop
EXPRESS

Limit - 2 Bags Per Day

5AM - 11PM

BottleDrop
EXPRESS

Bottle Returns Made Easy

- Sign Up**
Register for an account at the BottleDrop Express kiosk inside the store.
- Fill Up**
Buy BottleDrop green bags inside the store. Fill with Oregon deposit containers.
- Drop Off**
Drop all bags into your account card to open the drop door.
- Cash Out**
Get money from your account using the kiosk located inside the store.

IF BLUE LIGHT IS ON USE OTHER DOOR

BottleDrop
EXPRESS

Limit - 2 Bags Per Day

5AM - 11PM

STOP

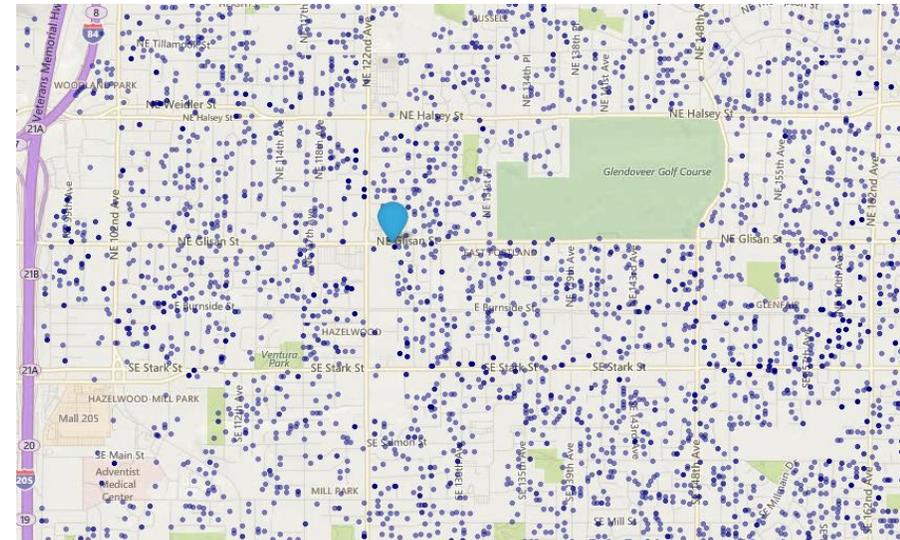
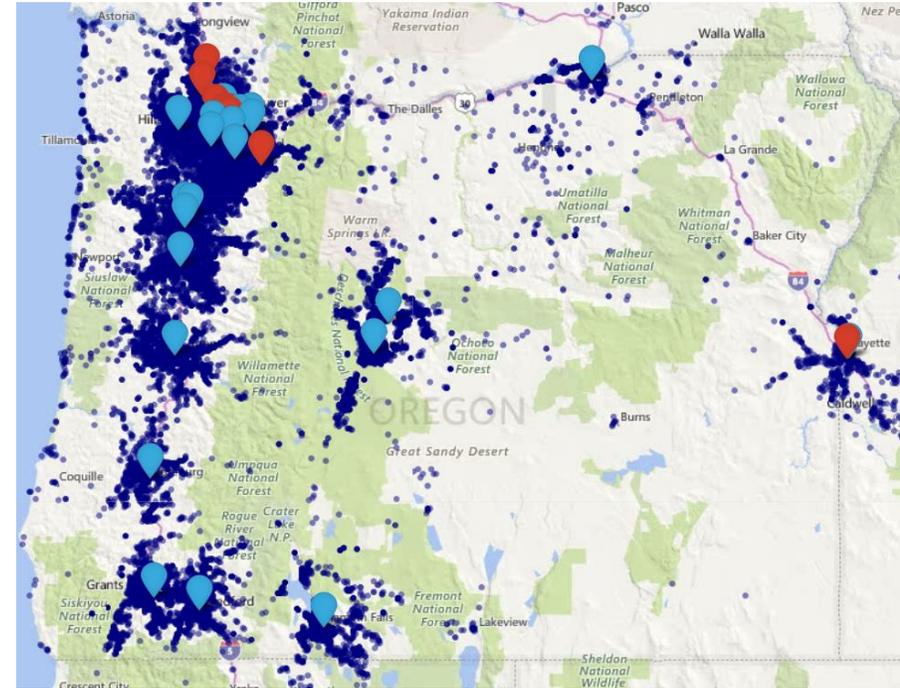
PLEASE CHECK YOUR BAGS!!

Is your bag securely tied?
Is your bag under 20 lbs?
Is there a handle attached to your bag?



Measuring Success

- Over 375,000 account holders
 - Over 200 account sign ups *each day*
 - Over 15,000 bags processed *per day*
- 64% of redemptions coming to BottleDrop
- 1000 eligible non-profits in Give
- Over \$1 million donated to non-profits
- Still: Zero tax dollars





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Building on the infrastructure: Reusables/Refillables

- 11 participating breweries and cideries so far
- Lower cost for Oregon craft brewers
- Fraction of the carbon footprint of even recycled glass
- About 1 million units in first year
- Projected 6 million units by year 3



Co-Marketing

- Breweries can 'opt-in' for label and six-pack space designed to educate the consumer about the refillable program
- OBRC will help subsidize the label and six-pack cost:
 - \$0.01 per label
 - 25% of the six-pack materials cost





Details



- Centralized wash facility cleans and sorts bottles
- Bottles currently only getting about 2-3 turns, but could get up to 25 or more
- Standard 12oz and 500mL bottles available for Oregon breweries – 12oz matches existing O-I longneck. (American one-way bottles are not durable)
- Pilot phase used existing bottles of breweries
- Currently limited to SKUs with 25% or less out-of-state distribution
- No crates in U.S. beer system, but would improve return experience
- Clear label standards and approved labels for both PSL and cut and stack

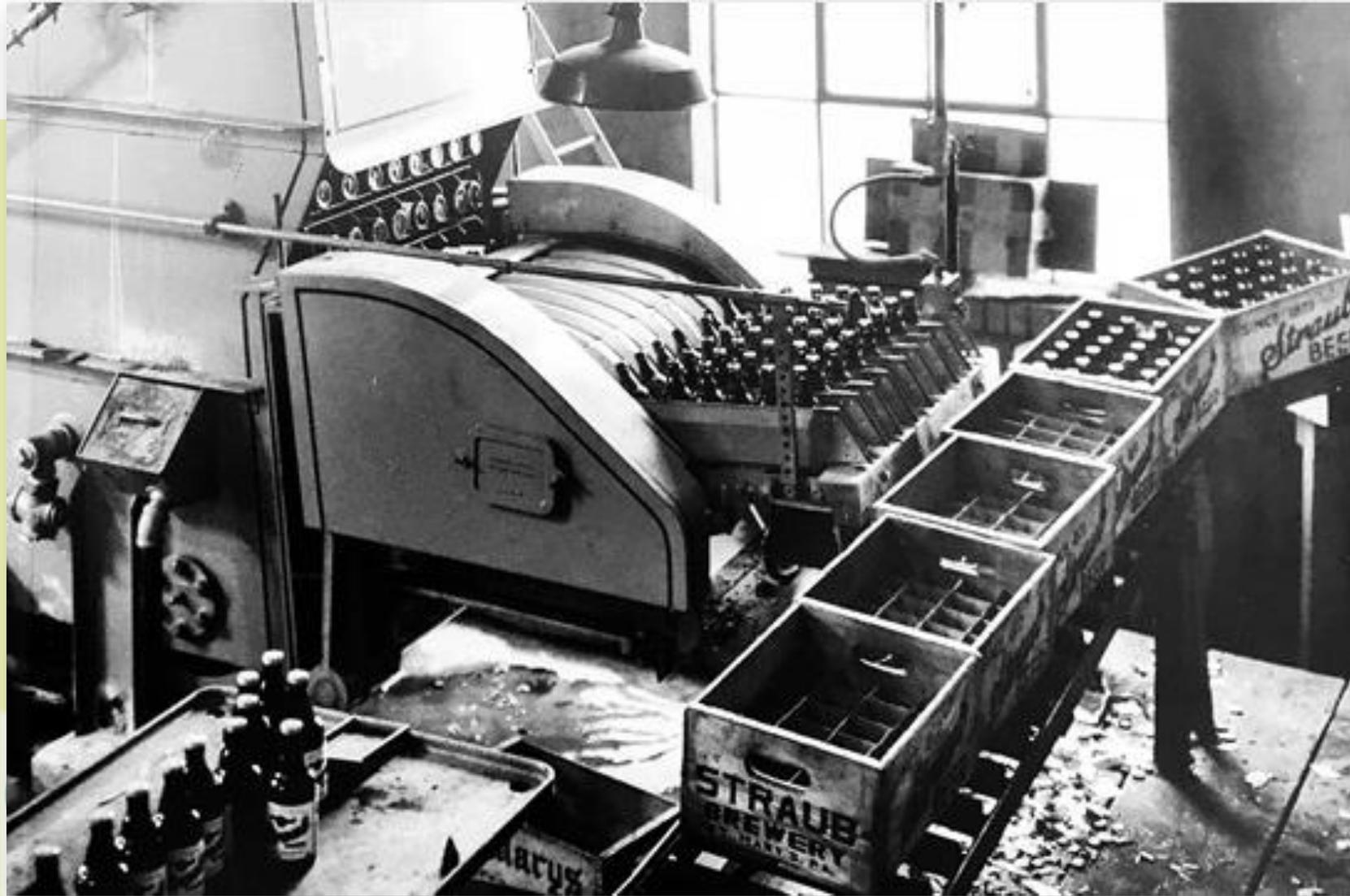


Global Refillable Presence





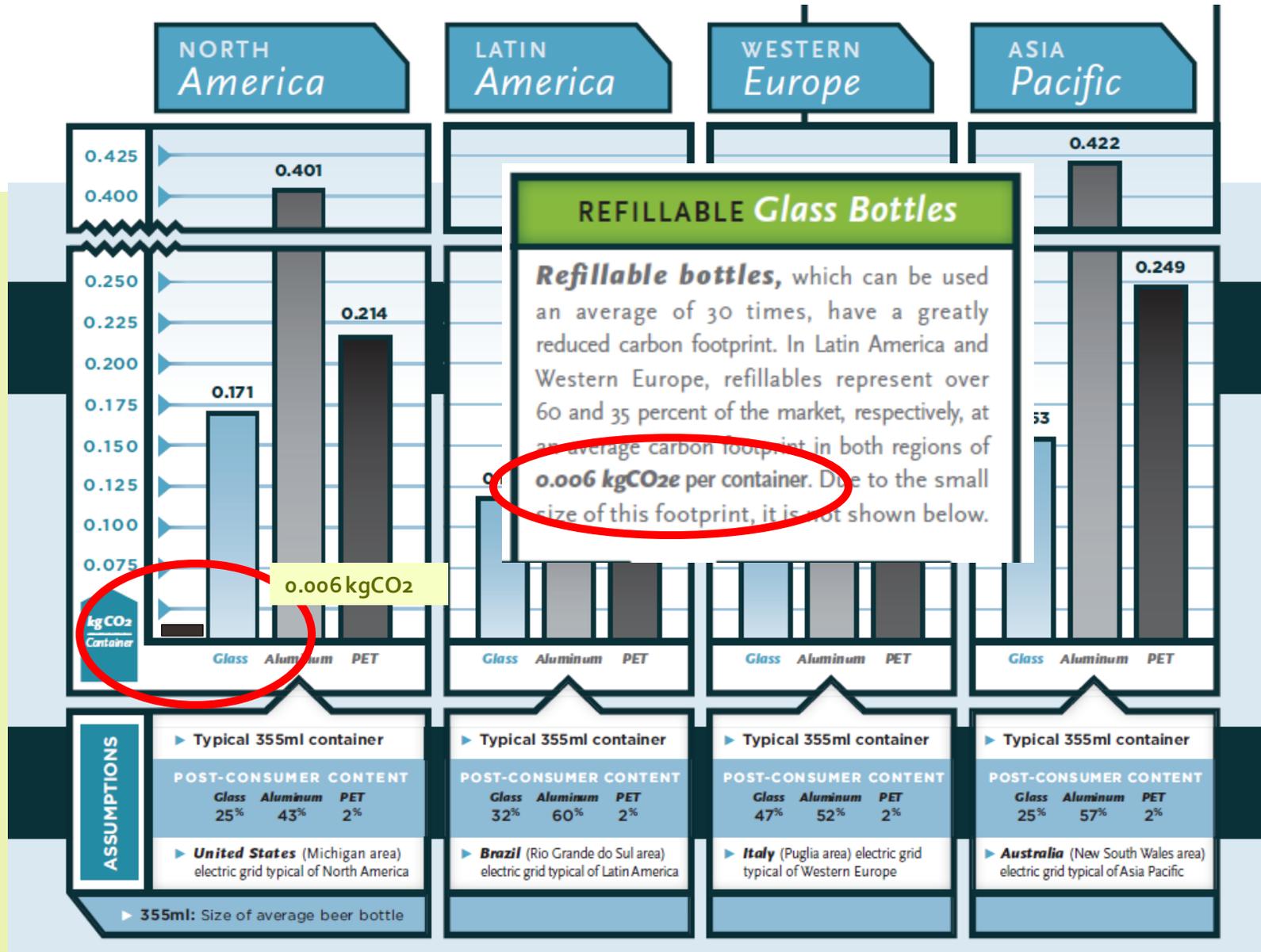
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Quality is important



- Inspection of every bottle post-wash to ensure it is clean and defect-free (bottle inspector can also do sorting)
- Additional swab testing to ensure cleanliness
- OBRC takes responsibility and liability for cleanliness for any bottle defects before filling
- Bottle washing machines can easily handle foreign contaminants, like cigarettes, limes, and even syringes



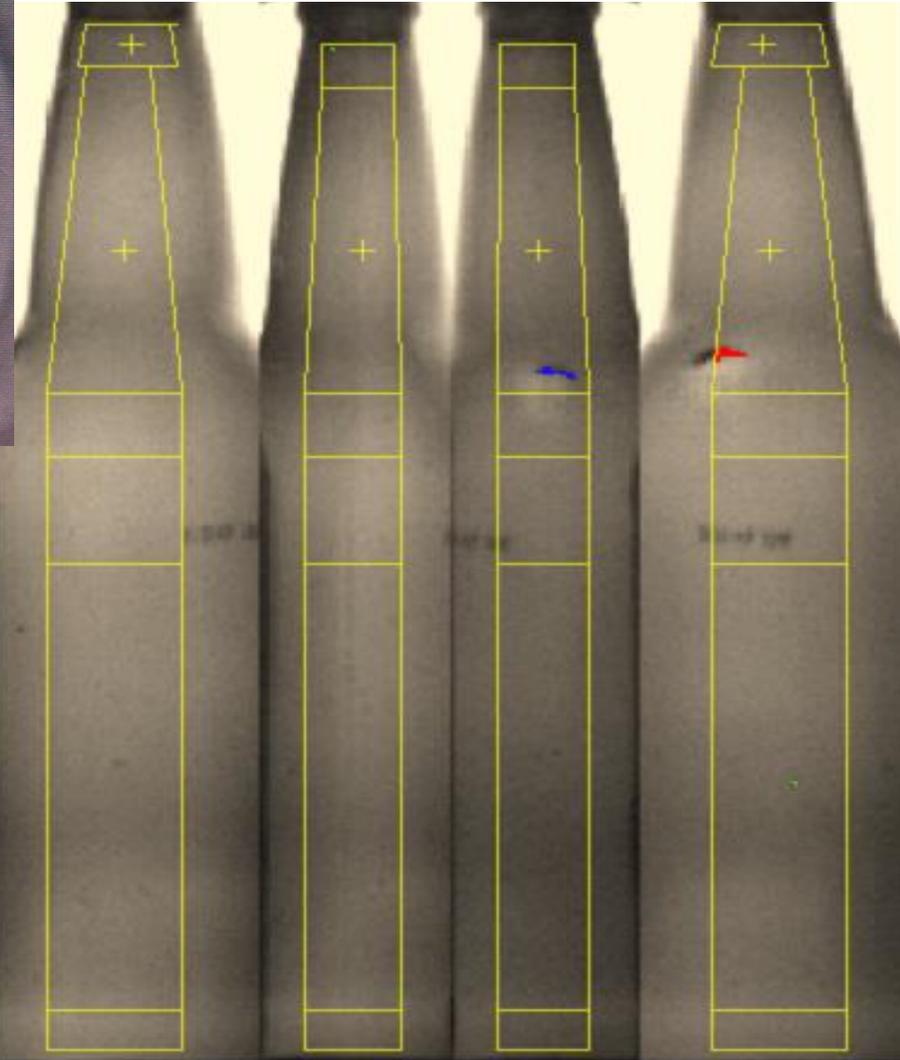
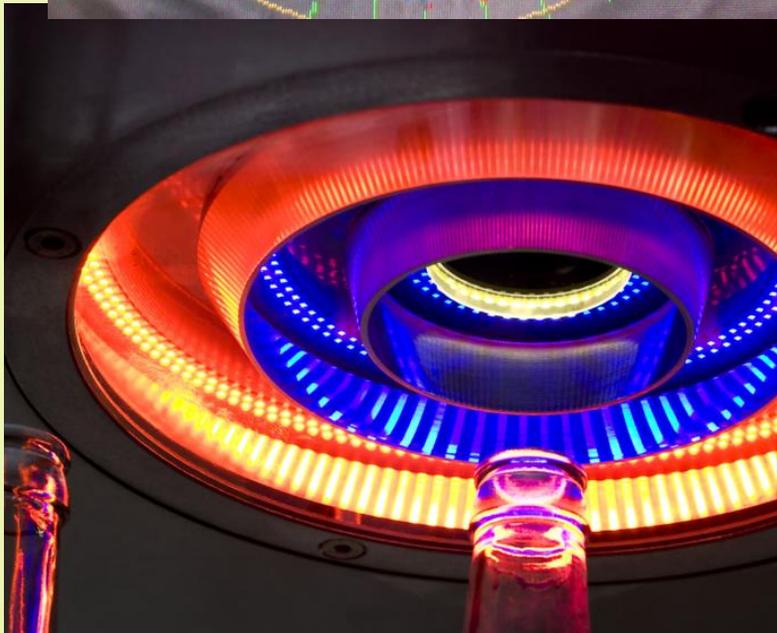
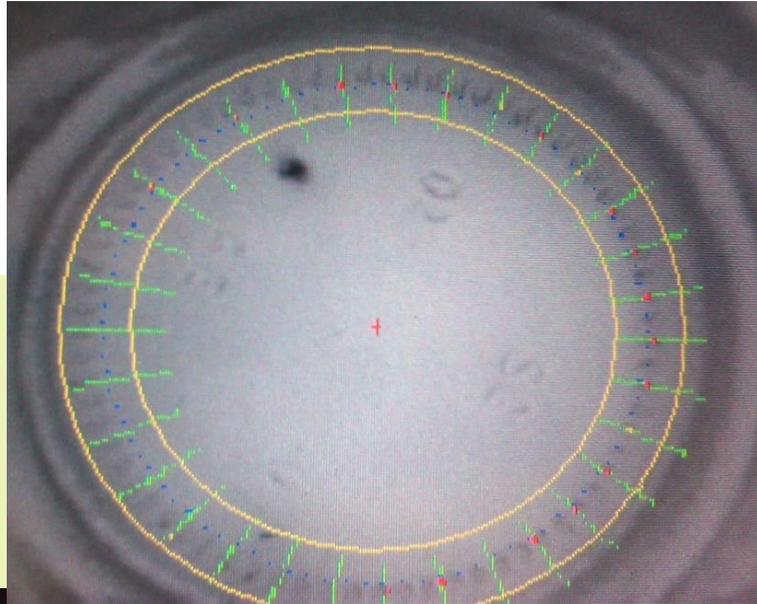


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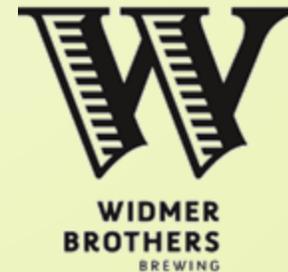


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Committed Participants by September 2019



The Takeaways

- Oregon's deposit and return system (Bottle Bill) produces a **clean, high quality stream** of recyclable materials.
- **All our material is recycled domestically**, and most of it in Oregon, for high-end uses.
- **The China ban did not affect us**, except to increase interest and awareness.
- **Oregonians love it.** Recent independent polling shows **97%** of Oregonians say the Bottle Bill is good for Oregon. Up from 92% before the deposit increase. **72%** view the system even more favorably when they learn it is privately run.
- **Industry supports it.** We enjoy bipartisan support, and our Bottle Bill Coalition is composed of distributors, retailers, recyclers, and environmental groups. Recent Bottle Bill legislation passed nearly unanimously.
- **It makes reusables possible.**



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For more information:
jbailey@obrc.com
www.bottledropcenters.com

Thank You!



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